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Japan

Prime Minister Kaifu Holds News Conference

OW0110221490 Tokyo KYODO in English 2202 GMT 1 Oct 90

[Text] New York, Oct. 1 KYODO—Prime Minister Toshiki Kaifu said Monday that Japan is prepared to engage in an official dialogue with North Korea "as soon as possible." He said at a news conference that Japan welcomes North Korea's proposal last week to initiate talks on establishing full diplomatic relations between the two countries.

Kaifu also formally praised the establishment of diplomatic relations between South Korea and the Soviet Union effective Sunday.

The changing political landscape on the Korean peninsula is a "reflection of the recent relaxation of East-West confrontation," he told reporters at the Japan Society.

Commenting on the North Korean initiative which was made to a visiting parliamentarians' group last week, Kaifu expressed the hope that the two countries would "engage in government-to-government dialogue as soon as possible."

He said Moscow's action to open full diplomatic relations with Seoul, three months ahead of schedule, means that "new thinking diplomacy of the Soviet Union is reaching Asia and must reach Asia."

Kaifu also predicted that Soviet President Mikhail Gorbachev's scheduled visit to Tokyo next April, the first by a Soviet leader, would become "a turning point" in Japanese-Soviet relations.

Kaifu made the remarks just before leaving for Egypt, Jordan, Turkey, Saudi Arabia, and Oman. He is the first world leader to visit the region since Iraq's invasion and annexation of Kuwait on August 2.

Japan has pledged 2 billion dollars to the U.S.-led multinational forces to protect Saudi Arabia and other Gulf states and another 2 billion dollars to the front-line states of Egypt, Turkey, and Jordan.

Kaifu said Japan is considering sending noncombatants to trouble spots of the world to engage in election monitoring, economic reconstruction, and other nonmilitary tasks. Speaking specifically of the proposed United Nations peace cooperation corps, the premier said Japan may send such noncombatants to Cambodia if peace is realized there.

Kaifu said one of his Middle East mission's objectives is to demand that all hostages, including Japanese, be freed. "Hostage-taking is unforgivable," he added.

When asked about the state of Japan-U.S. relations and his talks Sunday with President George Bush, Kaifu argued that "there is no awkward feeling" between the two countries. He said he is hopeful of a resolution to the issue of Japan's rice imports ban "by the end of this year." He did not elaborate.

Questioned about a boost in so-called "host nation support" for the 50,000 U.S. troops in Japan, Kaifu only said the final decision rests with his government. Asked about an alleged statement by Defense Agency Director General Yozo Ishikawa on the U.S. troops in Japan, Kaifu said, "I hope he didn't say that."

At a press confernce Friday, Ishikawa criticized a U.S. congressional resolution which urged Japan to pay the full cost of keeping American forces in Japan. On Saturday, he admitted that he made the criticism, but said he did not aim at refusing or questioning the stationing of U.S. forces in Japan.

Kaifu Defends Gulf Contributions in Interview

OW2909030690 Tokyo KYODO in English 0119 GMT 29 Sep 90

[Text] New York, Sept. 28 (KYODO)—Prime Minister Toshiki Kaifu said Friday there is a misconception on the part of the American public that Japan is reluctant to join peace efforts in the Persian Gulf. "In Japan all people are trying to pool their wisdom together at a time when we are exploring how best we could build up a new international order," Kaifu said in an interview with CBS Television.

Asked his response to views that Japan's offer of financial support dollars was made only under U.S. pressure, Kaifu said, "I hope with sincerity that that kind of perception will be corrected." He said that Japan's contribution is the largest among industrialized countries, and that its pledge was made before lesser sums offered by European nations.

Japan has pledged 2 billion dollars to support the U.S.-led multinational forces, and an additional 2 billion dollars to help frontline countries such as Egypt, Jordan, and Turkey, to alleviate the effects of U.N. sanctions against Iraq.

Kaifu stood firm on maintaining a ban on the dispatch of armed forces by Japan. A majority of the Japanese people feel the nation's war-renouncing Constitution has contributed to the peace and stability in the Asia-Pacific region, he said. "Rather than change this peaceful Constitution, it is better to try to do our best and extract the maximum effect out of the peaceful Constitution," he said.

Kaifu, who is to attend a weekend summit on children at the United Nations, had unveiled a scheme on the eve of his departure for New York which, if passed into law, would allow members of Japan's Self-Defense Force to serve in noncombat roles overseas.

Asked about a comment by newly appointed Justice Minister Seiroku Kajiyama about black Americans, Kaifu described it as "gravely inappropriate." "I regret such a statement was made," he said. "I believe it is important that the correct awareness be disseminated among Japanese people with regard to the minority issue, and the minority situation in the United States," he added.

Kajiyama said on September 21 after watching a police crackdown in a Tokyo entertainment district that prostitutes, like blacks in the United States, force respectable citizens to move out of their neighborhood.

Kaifu is to travel to the Middle East before returning to Tokyo on October 9.

Kaifu Receives Honorary Degree From NYU

OW2909010290 Tokyo KYODO in English 0007 GMT 29 Sep 90

[Text] New York, Sept. 28 (KYODO)—Prime Minister Toshiki Kaifu received an honorary law degree from New York University (NYU) on Friday in recognition of his contribution to deepening relations with the United States.

Prof. Ryuzo Sato, director of NYU's center for Japan-U.S. Business and Economic Studies, in presenting the honorary degree of Doctor of Laws cited Kaifu for his statesmanship and ability to build consensus in Japan. "You have emerged as a skilled international statesman, one determined to strengthen your nation's long-standing ties with our own," said Sato, who teaches at NYU's Leonard N. Stern School of Business, a leading U.S. business school.

Kaifu, wearing an academic gown in the school color of purple, received a university citation and academic hood during the convocation ceremony presided over by the university's president, John Brademas. Kaifu is the second Japanese to be awarded the honorary degree, following the late Prime Minister Eisaku Sato who received one in 1967.

Japanese account for one in 12 of the students at NYU's business school, and Japanese businesses have donated 10 million dollars to the school over the past six years, one-seventh of the total sum raised during that period.

NYU presents the honorary Doctor of Laws degree to recognize contributions to society by individuals involved in law, government, and public service. Past recipients include French President Francois Mitterrand and Italian Prime Minister Giulio Andreotti.

Kaifu is in New York to attend a United Nations special summit meeting on children. He is to travel to five Middle East countries before returning home on October 9.

Official Views Proposed SDF Gulf Measures

OW2809013290 Tokyo KYODO in English 1430 GMT 27 Sep 90

[Text] Tokyo, Sept. 27 (KYODO)—Japan's "peace constitution" prevents the government from placing members of a proposed United Nations peace cooperation corps in potentially threatening situations abroad, a senior Foreign Ministry official said on Thursday.

Nobutoshi Akao, director general of the ministry's U.N. bureau, was explaining Prime Minister Toshiki Kaifu's remarks earlier in the day that members of the proposed corps would be kept away from risky areas if sent to the Persian Gulf. "Any personnel which are sent abroad will be under the framework of the peace constitution," Akao said in a meeting with foreign correspondents.

Akao said he was referring to Article 9 of the constitution, which says that Japan renounces the threat or use of force as a means of resolving international disputes. "Any action that could be regarded or interpreted as a part of 'use of force' has to be rejected," he said.

Another official explained that if Japanese corps personnel were suddenly faced with a life-threatening situation, they would find themselves in a "constitutional dilemma" about whether to respond with or without force.

Asked how far the restrictions could be applied, Akao said, "it depends upon the specific type of cooperation so we have to make that judgement on a case-by-case basis."

To counter Iraq's aggression in the Gulf region, the government has pledged to provide multinational forces with 2 billion dollars for use in such fields as transport and communications. But in keeping with the government's present interpretation of the constitution, even the Japanese medical personnel to be sent to Saudi Arabia will be kept well away from the front lines.

Japan has come under harsh criticism in the U.S. Congress and in the media for picking up part of the Gulf tab, but leaving the risks of peace keeping to non-Japanese nationals.

Ishikawa Sees Problems in SDF Deployment

OW2809131090 Tokyo KYODO in English 0924 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 KYODO—Defense Agency chief Yozo Ishikawa said Friday it will be difficult to determine how far Self- Defense Forces (SDF) personnel can participate in UN peacekeeping activities. Ishikawa made the comment at a news conference in connection with the outline of a draft United Nations Peace Cooperation Law, announced Thursday by Prime Minister Toshiki Kaifu.

The proposed bill was designed to allow part of the organization or personnel of the SDF to participate in global peacekeeping efforts. Under the terms of the bill, the proposed Japanese UN Peace Cooperation Corps would be dispatched in principle without arms to non-combat areas.

"It will be a hard task to determine how far the SDF personnel can take part in UN peacekeeping operations," he said.

In view of concern at home and among Asian countries that the proposed legislation may lead to a revival of Japan as a major military power, Ishikawa said Japan should make utmost efforts to dispel such anxieties about the dispatch of the SDF personnel overseas. Ishikawa said SDF personnel to be dispatched would retain their position as SDF members during their service abroad as Peace Cooperation Corps staff.

A top Defense Agency official said later Friday evening that it may be "difficult" to pass the bill in an extraordinary Diet session expected to open around October 12.

Liberal Democratic Party officials are assuming that the Diet session will continue for one month. But the official suggested the session would be extended for a long period. "If the bill is amended, it may pass (the Diet)," said the agency official, "but, the draft bill as it stands now may only be enough to slip through the eye of a needle."

The official expects considerable resistance from opposition party members to the bill which would permit the participation of the SDF as a unit in UN peacekeeping efforts.

JSP Delegation Departs on Mideast Tour 28 Sep

OW2909104690 Tokyo KYODO in English 0955 GMT 29 Sep 90

[Text] Tokyo, Sept. 29 KYODO—An eight-member Japan Socialist Party (JSP) delegation of parliamentarians and medical doctors left Saturday on a tour of Jordan, Iraq, and Egypt in a bid to help realize a peaceful solution to the Persian Gulf crisis.

The delegation members hope to hold talks with Iraqi President Saddam Husayn, Jordan's King Husayn, and Palestine Liberation Organization (PLO) Chairman Yasir 'Arafat during their visit. The delegation is headed by Satoshi Yatabe, a member of the House of Councillors. The JSP is Japan's largest opposition party.

After arriving in Amman via Frankfurt on Sunday, they will visit refugee camps and local outlets of the International Red Cross and other organizations in Jordan to see what problems are hampering refugee transport and details of local requests for Japanese aid.

Physician and House of Representatives member Masanori Goto and surgeon Tsuneari Murata will conduct sanitation and health checks at refugee camps.

The delegation wishes to meet King Husayn later.

In Baghdad, where the group is to arrive October 3, the members will call on Iraqi Government authorities to ask for efforts to end the Gulf crisis peacefully in accordance with the United Nations resolutions. They will call for Iraq's early release of foreign nationals believed to have been detained at strategic military and industrial facilities from a humanitarian standpoint after the Iraqi troops' invasion of Kuwait on August 2. The members will also request permission to meet detained Japanese to check their health condition and hand to them letters from their families.

The Iraqi Government has indicated readiness to arrange a meeting between President Saddam Husayn and the Japanese delegation in response to the JSP request, opposition party officials said.

The delegation will arrive in Cairo on October 5 to study economic situation of Egypt which has sent troops to the Arab force in the Gulf.

The JSP delegation hopes to meet PLO's 'Arafat before returning home October 9.

Offical Comments on Use of Oil Reserves Plans

OW2809063290 Tokyo KYODO in English 1248 GMT 27 Sep 90

[Text] Tokyo, Sept. 27 (KYODO)—Japan will not tap into its oil reserves until there is an actual shortage of supply in the market, a top official of the Ministry of International Trade and Industry (MITI) said Thursday.

The vice minister of international trade and industry, Yukiharu Kodama, told a press conference he believes the U.S. decision to put part of the emergency oil reserves on the market is just a "test" that is aimed at demonstrating the U.S. determination to dip into the reserves if necessary.

President George Bush announced the government will sell five million barrels of crude oil from the nation's strategic oil reserves to calm the increasingly jittery oil markets.

Kodama denied there have been any proposals from Washington about internationally coordinated use of oil reserves.

A U.S. news agency reported U.S. Government officials said the White House intends to consult with Japan and West Germany, starting at a meeting of the International Energy Agency in Paris on Friday, about a possible long-term coordinated use of strategic reserves.

"Japan will continue the current stance toward using the reserves," he said. The MITI has decided against tapping into the reserves only to put a cap on the oil price rises.

Government To Propose IEA-Oil Producer Talks

OW2809083090 Tokyo KYODO in English 0342 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 (KYODO)—Japan will propose that the International Energy Agency (IEA) and oil producing countries start talks on ways to stem the current price speculation in world oil markets when the IEA meets in Paris Friday, Trade and Industry Minister Kabun Muto said Friday.

Muto told a regular press conference after a cabinet meeting that the talks should be aimed at prodding oil majors as well as oil producing countries to ensure that prices are determined by the supply-demand balance rather than speculation.

Oil prices have soared recently on speculative buying triggered by Iraq's August 2 invasion of Kuwait.

But the Japanese trade minister also said that coordinated use of strategic oil reserves to put a lid on rising oil prices will not be a topic at the Paris IEA meeting of its governing board.

The U.S. Administration announced Wednesday that it will sell five million barrels from the nation's emergency oil reserves in a bid to calm increasingly jittery oil traders.

White House officials reportedly intend to ask Japan and West Germany to dip into their oil reserves in order to cool speculation on the oil market. Yukiharu Kodama, vice minister of international trade and industry, said on Thursday that Japan will not follow the U.S. move by dipping into its oil reserve unless an actual oil shortage occurs.

Gulf Aid 'May' Be Given to Southwest Asia

OW3009015090 Tokyo KYODO in English 0100 GMT 30 Sep 90

[Text] New York, Sept. 29 (KYODO)—Foreign Minister Taro Nakayama said Saturday Japan may provide emergency aid to Southwest Asian countries hit by the Persian Gulf crisis.

Nakayama told Foreign Ministers from Bangladesh, Bhutan, Maldives, Pakistan, and Sri Lanka that Japan is prepared to extend "appropriate assistance" to the member countries of the South Asian Association for Regional Cooperation (SAARC). India and Nepal did not attend the joint meeting with Nakayama, a Japanese official said.

Foreign Minister Sahabzada Yaqub Khan of Pakistan, which currently holds SAARC chairmanship, said his country and other SAARC members have been struck by higher oil prices and the halt in remittances from their nationals in Iraq and occupied Kuwait.

Southwest Asian foreign ministers said their countries have been trying to cope with the return of over 500,000 workers from the Gulf region, the official said. The official said Nakayama promised to step up technological cooperation with SAARC countries, saying Japan is considering the creation of a SAARC fund to expand such cooperation.

Nakayama later held a meeting with Sri Lanka's Foreign Minister Harold Herath who explained his country's economic plight because of a sharp fall in tea exports, skyrocketing prices of fertilizers, and other imported goods. Herath also said foreign investment has weakened, according to a Japanese official who attended the meeting.

Sweden Agrees To Cooperate on Gulf Efforts

OW3009182090 Tokyo KYODO in English 1524 GMT 30 Sep 90

[Text] New York, Sept. 30 KYODO—Japan and Sweden agreed Sunday to cooperate with the international efforts to defuse the Persian Gulf crisis, saying they are considering the dispatch of personnel to the region under the United Nations flag, a Japanese official said.

The agreement emerged from a meeting between Foreign Ministers Taro Nakayama and Sten Andersson, the official said. Nakayama and Andersson explained the material and financial contributions of their respective countries to the global campaign to pressure Iraq into withdrawing from Kuwait.

The foreign ministers also agreed to work out the details of Swedish Prime Minister Ingvar Carlsson's planned official visit to Japan through diplomatic channels, the official said.

Bank Governor on Falling Stocks, U.S. Economy

OW2809192190 Tokyo KYODO in English 1156 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 KYODO—Bank of Japan [BOJ] Governor Yasushi Mieno voiced concern about the plunge in stock prices Friday, saying they are dipping "a little too fast" in light of Japan's strong economic fundamentals. Mieno told a press conference held upon returing from Washington where he attended a series of monetary meetings that he hopes to see the stock market stabilize in line with the real state of the nation's economy.

In a reference to soaring oil prices, Mieno said anxieties are growing about their negative effects and the prospects remain uncertain. But the central bank chief said he has not changed his basic view that such effects will be relatively minimal as long as the monetary authories succeed in preventing "home-made" inflation.

Mieno went on to say that he has no plans to change the central bank's credit stance at the moment to head off inflation, however, adding that he is watching effects of the latest discount rate hike. The BOJ raised its official discount rate on August 30, by 0.75 percentage point to 6 percent a year, in a move aimed at fending off higher prices at home.

Turning to the U.S. economy, Mieno said he has the feeling that the tempo of a U.S. economic slowdown has quickened since the Gulf crisis erupted, but that there are different views on whether the tension in the Middle East will push the U.S. economy into recession.

Mieno did not comment on how the U.S. monetary authorities might act to guard the economy against the effects of the Gulf crisis, saying only "it's difficult for the United States to steer its monetary policy, as prices appear unlikely to go down easily due to the high oil prices."

On exchange rates, Mieno said the yen has been relatively stable, but added that he does not favor the dollar's sharp downturn. "I believe the dollar's sharp fall would not be favorable. Stable movements (in exchange rates) should contribute to rectifying the external trade imbalances," he said.

Noting that the communique issued by the Group of Seven or G-7 industrial nations after a meeting in Washington last weekend supports "stability-oriented monetary policies and fiscal policies," Mieno said his bank's policy is in accordance with the G-7 statement. But he added that measures to fight inflation would differ on a country-by-country basis, because each G-7 nation "has different problems." The G-7 consists of Japan, the United States, West Germany, Britain, France, Italy and Canada.

Ishikawa Criticism of U.S. Congress 'Unofficial'

OW3009043490 Tokyo KYODO in English 0339 GMT 30 Sep 90

[Text] New York, Sept. 29 (KYODO)—A Japanese cabinet spokesman Saturday dismissed as unofficial the critical remarks made by Japan's Defense Agency chief on the U.S. Congress over Japan's military burden-sharing.

Tadamori Oshima, deputy chief cabinet secretary, was commenting on recent controversial remarks by State Minister for Defense Yozo Ishikawa over the U.S. Congress resolution which urged Japan to pay the full cost of maintaining U.S. forces in Japan. The resolution was passed September 12 by the House of Representatives. It also proposed to withdraw 5,000 of about 50,000 troops from Japan unless the U.S. demand is met.

Ishikawa said, "The U.S. Congress lacks common sense. Japan has never asked for the stationing of the U.S. troops. We will have to say then to let the forces return home." Ishikawa made the comment on condition of anonymity at that time, but later admitted he made it.

Oshima told reporters that the U.S. forces are stationed in Japan under the Japan-U.S. Security Treaty to contribute to peace and security in Japan and the Far East. He said the Japanese Government will make efforts to keep the forces stationed in Japan in the future.

Ishikawa said Saturday he did not intend to refuse or question the stationing of U.S. forces in Japan in making the comments, but he intended to say any emotional reaction would produce unfavorable results.

Firms Uneasy About U.S. Firm's Royalty Claims

OW1209060190 Tokyo KYODO in English 0523 GMT 12 Sep 90

[Text] Tokyo, Sept. 12 KYODO—U.S.-based Texas Instruments Inc. has informed the world semiconductor industry that it will require microchip makers to pay 10 percent of their sales of Dynamic Random Access Memory (DRAM) chips for licensing its DRAM technology, about triple the usual level of royalties, industry sources said Wednesday. Revenues obtained from licensing fees paid by Japanese semiconductor makers would total nearly 100 billion yen a year for the U.S. patent holder, the sources said.

Japanese makers would be especially hard hit since they control about 90 percent of the world DRAM market and produce about 2.9 trillion yen worth of chips a year. U.S. computer makers and office equipment manufacturers would also be hurt since they import about 500 billion yen worth of DRAMs a year from Japanese semiconductor producers, the sources said.

Texas Instruments, which invented in 1958 the Integrated Circuit (IC) that constitutes DRAMs and other chips, was finally awarded a Japanese patent on the IC in 1989. The company is currently renegotiating royalties for DRAMs separately with Japanese semiconductor makers, whose cross-licensing contracts with Texas Instruments involving its DRAM patents expire near the end of this year. Japanese makers said that whether the cross-licensing fees will amount to 10 percent or more has yet to be determined since negotiations with Texas Instruments have just begun.

Joint-U.S. Defense Technology Groups To Form

OW2909010390 Tokyo KYODO in English 0012 GMT 29 Sep 90

[Text] Washington, Sept. 28 (KYODO)—Japan and the United States ended two days of talks in Washington on Friday with an agreement to form working groups for cooperation in advanced defense technology. The U.S. Defense Department said the agreement was reached between the Pentagon and the Japanese Defense Agency during their 12th Systems and Technology Forums (STF) meeting.

Working groups from the two countries will specify potential research and development projects in five areas: advanced steel for ships and armored vehicles, ceramic-based fighting vehicle propulsion technology, ducted rocket engines, magnetic field technology, and millimeter wave/infrared hybrid seekers, the Pentagon said in a statement. It said the working groups will meet in the next few months to determine areas of mutual interest and to further define projects.

The two countries also agreed to explore the potential for research and development cooperation in several other areas which were not specified.

The aim of the STF, established in 1980, is to cut the cost of defense systems and tap the technological resources of both nations. This week's meeting was co-chaired by Osamu Seki, director general of the Defense Agency's equipment bureau, and Albert Kelley, deputy undersecretary of defense for international programs.

The next STF meeting will be held in Tokyo, the Pentagon said. No date has been set.

Follow-Up SII Agreement Meeting Scheduled

OW2809090390 Tokyo KYODO in English 0843 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 KYODO—Top-ranking Japanese and U.S. officials will hold the first follow-up meeting to the Structural Impediments Initiative (SII) agreement in Boston on October 15 and 16, government sources said Friday.

The bilateral agreement, aimed at removing barriers to trade and investment, was concluded in June.

In the follow-up meeting the United States is expected to raise questions about Japan's public works spending, a planned review of the Distribution Law, penalties on antitrust activities, and taxation on land.

Japanese negotiators, on the other hand, will call for stepped-up efforts by the U.S. on such issues as budget deficit reduction.

The Japanese negotiators will be headed by Koji Watanabe, deputy foreign minister for economic affairs, Makoto Utsumi, vice finance minister for international affairs, and Naomichi Suzuki, vice minister for international affairs of the Ministry of International Trade and Industry.

Their U.S. counterparts will be Richard McCormick, undersecretary of state for economic and agricultural affairs, Charles Dallara, assistant treasury secretary for international affairs, and Linn Williams, deputy U.S. trade representative.

U.S. Forces Agree To Return Makiminato Area

OW2909062690 Naha NHK Television in Japanese 0320 GMT 28 Sep 90

[Text] The Japan-U.S. joint committee session was held in Tokyo on 27 September. An accord was reached on the return of about 1,200 square meters of the auxiliary facilities in Makiminato Supply Area of the U.S. Forces Okinawa, which is located in Urasoe City. The land lot to be returned has an area of about 1,200 square meters and is at the auxiliary facilities of the Makiminato Supply Area, currently controlled by the U.S. Navy Fleet Activities Command and other units. It is located in Makiminato, Urasoe City and a condition for the return of this area is that existing warehouses must be moved to Kadena Air Base.

The Defense Facilities Administrative Agency plans to start a project to build replacement warehouses at Kadena Air Base within the next fiscal year. The area will be returned as soon as the warehouses are moved to Kadena. This area is one of the 17 facilities whose return was announced last June. It will be the first area to be processed for return in accordance with the announcement.

The auxiliary facilities at the Makiminato Supply Area are part of some warehouses, owned by private companies, that were leased for use as temporary storage for parts.

Cut in Rice Protection Spending To Be Offered

OW2809021090 Tokyo KYODO in English 1317 GMT 27 Sep 90

[Text] Tokyo, Sept. 27 (KYODO)—The Japanese Government on Thursday decided to offer a 5.4 percent cut in spending on protection of three agricultural products, rice, wheat, and barley, over seven years from 1990, officials said.

The proposal will be contained in a report to be submitted to the secretariat of the General Agreement on Tariffs and Trade (GATT) as early as Friday. The report is required for farm trade negotiations slated for early October in Geneva under the Uruguay Round of multilateral trade talks.

The government, however, will not comply with a U.S. demand for the conversion of non-tariff import restrictions into tariffs on staple foods, such as rice, milk and other products now subject to domestic production adjustment, the officials said.

The proposal stems from Tokyo's basic policy of reducing the total spending on the protection of domestic markets for grains, sugar, milk, and dairy products by 30 percent over 10 years from 1986. The expenditure is tallied under the Aggregate Measure of Support (AMS). The AMS uses price support measures and all types of farm subsidies in calculating the degree of domestic protection of agriculture.

The Japanese offer is most likely to meet with a strong objection from the United States and other farm product exporters, which call for the "tariffication" of Japan's nontariff trade barriers, observers said.

Japan's spending on the protection of rice is estimated at 2.2 trillion yen in 1988 when tallied under the AMS. The amount accounts for nearly 60 percent of Japan's overall agricultural protection expenditure, according to the Organization for Economic Cooperation and Development (OECD).

Farm Trade Reform Package Submitted to GATT

OW2909061690 Tokyo KYODO in English 0356 GMT 29 Sep 90

[Text] Geneva, Sept. 28 (KYODO)—Japan submitted a detailed list of its domestic farm-support measures and a package of farm trade reform plans to world farm trade talks on Friday, according to government sources.

Japan was the first among the 96 member countries of the Geneva based General Agreement on Tariffs and Trade (GATT) to submit a report on domestic protection of its agriculture market, following an accord reached last July by the policy-setting trade negotiations committee.

Such a report is required by the October 1 deadline for farm trade negotiations slated from October 4 in Geneva under the Uruguay Round of multilateral trade talks, aimed at drafting new rules on trade in agriculture and 14 other sectors of world commerce.

The United States and the European Community (EC) apparently have been dragging their feet on drafting the lists, which will supply the information base on which reductions in supports will be negotiated in three areas—internal supports, border protection, and export subsidies.

The Japanese list, covering 10 items, including rice, milk, and meat, stipulates that the import ban on staple foods such as rice, as well as other products such as milk whose import is curbed under GATT-based rules, cannot be converted into tariff-based restrictions, the sources said.

Countries involved in the four-year trade talks will also present a package of farm trade reform proposals by October 15. These lists and proposals are scheduled to be offered to a group of trade officials working on farm trade rules under the GATT-sponsored multilateral trade talks due for completion at the end of December.

The Japanese package was based on the Aggregate Measure of Support (AMS) which uses price support measures and all types of farm subsidies in calculating the degree of domestic protection of agriculture.

At the upcoming trade talks, Japan will propose a plan to cut 30 percent of all agricultural subsidies over 10 years, retroactive from 1986, the sources said. The latest proposal specifically includes a plan to trim the government total subsidies on three cereals—rice, wheat, and barley—by 5.4 percent over the seven years beginning from 1990, according to the sources.

Islands Issue Discussed With FRG's Genscher

OW2809034190 Tokyo KYODO in English 0243 GMT 28 Sep 90

[Text] New York, Sept. 27 (KYODO)—Foreign Minister Taro Nakayama said Thursday "the time is right" for Japan and the Soviet Union to settle their dispute over four Soviet-held northern islands.

Nakayama told West German Foreign Minister Hans-Dietrich Genscher in a meeting here that "Soviet President Mikhail Gorbachev and Soviet Foreign Minister Eduard Shevardnadze are responsible people," a Japanese official said.

Nakayama is scheduled to meet with Shevardnadze here on Friday.

The official said Nakayama hopes to finalize arrangements for his trip to Moscow later this year in order to pave the way for Gorbachev's historic visit to Japan next April.

Nakayama acknowledges that Shevardnadze's trip to Tokyo earlier this month did not produce tangible progress in the disagreement over claims to Habomai, Shikotan, Kunashiri, and Etorofu, which have been under Soviet control since the closing days of World War II, a Japanese spokesman said. But Nakayama said in the meeting with Genscher that Japan hopes to resolve the issue with the Soviet Union through "an expansion of contacts through various channels," the spokesman told reporters.

Genscher who has spent years building a consensus in Europe in favor of German unification, told Nakayama that he hopes to visit Japan "early next year" after Unified Germany holds its first general elections in December.

Briefing Genscher on developments in Asia, Nakayama explained North Korea's proposal for normalizing diplomatic relations with Japan, the spokesman said.

Soviet Crew Discovers Dead Japanese Fisherman

OW2809082290 Tokyo KYODO in English 0615 GMT 28 Sep 90

[Text] Naha, Sept. 28 (KYODO)—A Soviet ship's crew found a Japanese man dead and another injured aboard a bullet-riddled fishing boat in which they had set sail for a group of islands whose ownership is disputed by Japan, Taiwan, and China, Maritime Safety Agency officials said Friday.

It is not known who fired at the Japanese ship, the three-ton Ryosaku Maru.

The Soviet ship Partizanskaya Slava reported to the Japanese authorities that it spotted the Japanese boat drifting near Hateruma Island some 500 kilometers southwest of Naha, officials said.

The dead man was identified as Masayuki Shinjo, 36, and the injured as Toshio Higa, 42, both of Okinawa prefecture. Officials quoted the Soviet crew members as saying there were about 30 bullet marks on the fishing boat.

According to the officials, Shinjo and Higa borrowed the fishing boat and set sail from Hirara port on Miyako Island, 400 kilometers southwest of Naha, on September

22 to gather plants in the Senkaku Islands, which are also claimed by Taiwan and China and called the Diaoyutai Islands in Chinese.

The United States returned the islands to Japan with the reversion of Okinawa in 1971.

KDD Seeks Satellite Network With North Korea

OW1309144790 Tokyo KYODO in English 1122 GMT 13 Sep 90

[Text] Tokyo, Sept. 13 KYODO—The head of KDD [Kokusai Denshin Denwa], an international telecommunications giant, expressed interest Thursday in the establishment of a satellite network between Japan and North Korea.

KDD President Takazo Ishii told a press conference that the company is positive toward the project, a possible item on the agenda during a visit by a ruling party delegation led by former Deputy Prime Minister Shin Kanemaru to North Korea from September 24.

"We have not received any request from the government (to join the delegation). But if we receive it, we are willing to handle it positively," Ishii said.

The proposed formation of a satellite network is not only intended to improve telecommunications between the two countries but also seen as a symbol of bilateral efforts toward better relations between them, industry sources said.

North Korea is the only country Japan is still communicating with through shortwave radio. Since there are only four lines, three for telephone and one for telegraph, it usually takes for an international telephone call between 30 minutes and an hour to be connected.

The absence of bilateral satellite communications is due more to the lack of political ties between the two nations than to technical problems, the sources said. North Korea has already opened satellite lines with West Germany, France, China, Singapore, and Hong Kong.

Results of, Reaction to Visit to DPRK Reported

Ministry Welcomes Agreement

OW2809191090 Tokyo KYODO in English 1136 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 KYODO—The government "basically welcomes" a signed commitment between Japanese and North Korean political parties for a normalization of diplomatic ties, a top Foreign Ministry official said Friday.

"We basically welcome this, as the Japanese Government has long been calling for an unconditional government-to-government dialogue with North Korea with a view to an eventual normalization of diplomatic relations," said the official, on condition of anonymity.

The official's remarks to reporters followed the issuance in Pyongyang earlier Friday of a joint declaration between the ruling Korean Workers Party and Japanese delegation leaders Shin Kanemaru, a political heavyweight and former deputy prime minister from the ruling Liberal Democratic Party (LDP), and Makoto Tanabe, vice chairman of the Japan Socialist Party (JSP).

The official said the document reflected the "tough and difficult" discussions that took place between the two sides in the North Korean capital. But he deferred comment on details of the communique, such as its provision for Japan's payment of compensation to North Korea for its past colonial rule over the peninisula.

The official explained that since the government was not directly involved in the making of the document, its provisions would have to be given careful consideration before a concrete assessment can be made.

Questioned on a North Korean suggestion that the first set of talks be held in November, the official noted that various events are already on the agenda for that month, including the coronation ceremony for Emperor Akihito. But he did not rule it out.

In apparent consideration of the position of South Korea, the official stressed that Japan's talks with North Korea would have to take place with a view to achieving a relaxation of tensions and peace on the Korean peninsula as a whole.

Parties Generally Welcome Accord

OW2809140590 Tokyo KYODO in English 1234 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 KYODO—The ruling Liberal Democratic Party (LDP) and the Japan Socialist Party (JSP) on Friday hailed a joint declaration issued by JSP and LDP delegations and the Korea Workers' Party, which paves the way for opening diplomatic ties between Japan and North Korea.

LDP Secretary General Ichiro Ozawa praised the declaration in a statement shortly after the three parties signed the document in Pyongyang. Ozawa said the declaration will make a great contribution to peace in the Korean peninsula. The three-party declaration urges the Japanese and North Korean governments to initiate diplomatic talks in early November to open the way to full diplomatic relations between the two countries.

The mission by the LDP and the JSP delegations achieved its purposes of starting the move toward diplomatic relations between the two countries and creating conditions for two Japanese seamen to be released after a seven-year detention in North Korea, Ozawa said. Ozawa said the LDP will ask the Government to make every effort to implement the pledges in the declaration.

JSP chairwoman Takako Doi read a party statement in a meeting with reporters, saying she was "deeply moved" to know that the two delegations had taken the first step to realize the normalization of ties with North Korea. Doi said that the JSP too would make every effort to see that the Government carries out the pledges made in the declaration. She said the JSP will cooperate with the LDP and all other parties to urge the Government to carry out the pledges.

The Komeito and the Democratic Socialist Party (DSP) also welcomed the joint declaration. Komeito said it pays tribute to the LDP and JSP delegations, which it said had made achievements for Japan, adding that the Government should take positive steps to improve relations between Japan and North Korea, while taking into consideration relations between Japan and South Korea. The DSP said it welcomes the advancement of relations between Japan and North Korea achieved by the two delegations.

The Japan Communist Party (JCP) expressed a cool reaction, saying the declaration does not contain concrete apologies on Japan's colonial rule over the Korean peninsula.

LDP-JSP Mission Returns

OW2809144590 Tokyo KYODO in English 1353 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 KYODO—A joint delegation from the ruling Liberal Democratic Party and the Japan Socialist Party returned home Friday after a five-day visit to North Korea. A chartered plane carrying the party arrived at Haneda Airport at 10:17 PM after a two-hour direct flight from Pyongyang.

No Settlement on Trade Payments

OW2909104990 Tokyo KYODO in English 0932 GMT 29 Sep 90

[Text] Tokyo, Sept. 29 KYODO—North Korea made no specific reply to the question of trade payments in arrears it owes to Japan in a recent meeting held in Pyongyang between representatives of its Ministry of Foreign Trade and Japan's Ministry of International Trade and Industry [MITI], a MITI official said Saturday.

The official, who requested anonymity, attended the meeting as a member of a mission jointly sent by the ruling Liberal Democratic Party and the Japan Socialist Party. At the meeting the Japanese side raised the trade issue, saying the delayed payment now amounts to some 85 billion yen, including accruing interest.

But North Korean officials merely said they will instruct their trade bank to hold talks with Japanese creditors, without referring to the specific repayment method and amount, according to the MITI official.

During the meeting the North Koreans asked Japan to apply preferential tariffs to imports from their country, the MITI official said, adding that Japanese side asked for clarification of the North Korean tariff system before so doing. The North Korean officials replied they would consult with the relevant departments, the MITI official said.

LDP Official Views Compensation

OW2909145390 Tokyo KYODO in English 1346 GMT 29 Sep 90

[Text] Tokyo, Sept. 29 KYODO—Senior Liberal Democratic Party [LDP] executive Takeo Nishioka on Saturday welcomed in general the outcome of the visit to North Korea by a Japanese political mission but questioned Japan's payment of compensation to North Koreans for the postwar 45 years.

Democratic Socialist Party [DSP] Chairman Keigo Ouchi said he cannot agree with such a payment.

Nishioka, chairman of the ruling party's decision-making Executive Council, said the mission has achieved a major breakthrough in Japan-North Korean ties. Nishioka said however that Japan should consider doing similarly for North Korea in the event of establishment of diplomatic relations as it did for the south 25 years ago. Japan's position is unchanged, he said.

In 1965, when Japan and South Korea established ties, the Japanese Government extended 500 million dollars in economic assistance to South Korea as one form of compensation for losses suffered by Koreans during Japan's 1910-1945 colonial rule. At that time, Japan and South Korea did not touch on matters in postwar years.

DSP Chairman Ouchi described as "extremely improper" and "unacceptable" the Japanese mission's promise to pay compensation not only for the colonial rule but also for losses inflicted on Koreans during the postwar 45 years.

Ouchi told reporters that the division of the Korean peninsula is the result of East-West confrontation and of the 1950-1953 Korean War. Japan never inflicted any loss to North Korea in the postwar years, he said. The Japanese Government needs to clearly deny in future talks with North Korea that Japan dealt any loss to North Koreans, Ouchi said.

Delegations from the LDP and the country's No. 1 opposition group, the Japan Socialist Party, jointly visited North Korea Monday through Friday and issued a joint declaration calling for opening of intergovernmental talks toward normalization of ties.

The joint declaration, signed by representatives of the LDP, JSP and the Korean Workers' Party, said, "The three parties consider that in connection with the establishment of the diplomatic relations, full compensation should be made by the Japanese Government for the past 36-year-long colonial rule and the losses inflicted upon the North Korean people in the ensuing 45 years."

Shin Kanemaru, a former deputy prime minister and one of most powerful LDP factional leaders, led the LDP delegation, while JSP Vice Chairman Makoto Tanabe headed his party's team.

Delegation Heads Comment

OW2909140490 Tokyo NHK General Television Network in Japanese 1000 GMT 1000 GMT 29 Sep 90

[Text] Mr. Ishii of the Liberal Democratic Party [LDP] and Mr. Tanabe of the Japan Socialist Party [JSP], who visited North Korea as members of a delegation, spoke today about a joint declaration by the LDP, the JSP, and the Workers' Party of Korea issued as a result of the visit. They made the remarks on "Political Roundtable Talks," which was recorded today.

Referring to the declaration's references to Japanese compensation to North Korea for the 45 years since the war, they said that this will not constrain future government-to-government negotiations.

Mr. Ishii said that the joint declaration is not an agreement that will constrain future government negotiations, although it calls on the Japanese Government to offer Korea compensation for Japan's past colonial rule, as well as for the 45 years since the end of World War II.

Mr. Tanabe, JSP vice chairman, said that the idea is to have the matter considered when conducting government-level negotiations, and it does not mean that the negotiators will be restricted by the declaration. He thus gave his view that the section of the joint declaration on compensation for the postwar period will not constrain government-to-government talks in the future.

Talking about Japan's economic cooperation with North Korea that will become part of the compensation, Mr. Ishii said that Japan should actively tackle the matter, if conditions are met, even before diplomatic ties with North Korea are established. He also said that applications for trade insurance, which has been suspended, should resume, and that the government would soon begin studying the possibility of revising the current tariff measures under which only North Korea is subject to higher rates of duties.

Regarding the release of two seamen of the No. 18 Fujisan-maru, Mr. Tanabe said that the two seamen will be directly transferred by North Korea to LDP and JSP representatives. He said he was 100 percent sure that the two seamen would come home before late October.

Mr. Tanabe suggested a strong possibility that the two seamen will be brought home by LDP Secretary General Ichiro Ozawa and other officials of the two parties after they attend the 45th anniversary of the North Korean Workers' Party on 10 October.

"Political Roundtable Talks" will be broadcast at 0900 tomorrow on General Television and Satellite Television and at 1930 tomorrow on NHK Radio One.

'Unpublicized' Takeshita-Yi Chong-ok Contact

OW3009114790 Tokyo KYODO in English 0955 GMT 30 Sep 90

[Text] Tokyo, Sept. 30 KYODO—Former Prime Minister Noboru Takeshita met with North Korean Vice President Yi Chong-ok in Beijing last week while the two were attending opening ceremonies for the 11th Asian Games, political sources said Sunday. The unpublicized contact took place shortly before Takeshita's political mentor, former Deputy Prime Minister Shin Kanemaru, traveled to North Korea to seek expanded ties between Tokyo and Pyongyang.

North Korean President Kim Il-song first disclosed the Takeshita-Yi contact during Kanemaru's stay in North Korea, one of the members who traveled with Kanemaru to North Korea said. Takeshita has also acknowledged the meeting.

Kim reportedly told Kanemaru that he had received from Yi a detailed report on his contact with Takeshita and quoted Takeshita as saying that he would "spare no effort" to promote relations with North Korea.

Takeshita, who traveled to China on September 20, met Yi twice while in Beijing, first during a welcoming banquet for visiting dignitaries on September 21 and again the next day during the Asian Games opening ceremony.

During their first contact, the conversation focused on Kanemaru's trip to North Korea with the two men agreeing that the two countries should expand their relations.

Kim Il-song, in recounting Takeshita's meeting with Yi, gave high marks to what he described as Takeshita's "ardent wishes" for improving bilateral relations. "The good results we have achieved this time are partly due to the ardent wishes (Takeshita) has for better relations" between the two countries, Kim reportedly told Kanemaru.

Kim met Kanemaru three times, including two private sessions.

A joint declaration issued Friday at the end of Kanemaru's five-day trip to Pyongyang committed the ruling Liberal Democratic Party to open government-level talks for normalizing ties between Japan and North Korea.

Kanemaru, who wields considerable influence within the governing party, also pledged that Japan will compensate North Korea not only for Japan's 1910-45 colonial rule of Korea but also for "losses inflicted" during the postwar years.

KDD To Join ASEAN Submarine Cable Network

OW1309152690 Tokyo KYODO in English 1437 GMT 13 Sep 90

[Text] Tokyo, Sept. 13 (KYODO) - KDD said Thursday it has decided to join a project to establish an ASEAN optical fiber submarine cable network. The Japanese international telecom giant applied the same day to the Ministry of Posts and Telecommunciations for permission to participate in the project.

The company is due to sign a cables construction and maintenance agreement in a meeting September 25 in Singapore along with other partners.

KDD officials said the company would lay a Brunei-Malaysia-Philippines cable jointly with 26 telecom companies from 16 countries, a Brunei-Singapore cable with 22 firms from 12 countries, and a Kuantan (Malaysia) to Kota Kinabalu (Sabah, Malaysia) cable with 21 companies from 12 countries.

The construction cost of the three cables is estimated at 191 million dollars, of which 11.4 million dollars will be provided by KDD, and 1,207 circuits will be available to KDD, the officials said. The three cables will go into operation between late 1991 and early 1992.

The projected network, made up eventually of six cables, will be connected to the Guam-Philippines-Taiwan cable and Trans-Pacific Cable No. 3 to provide an efficient and high-quality digital fiber-optics cable network in the region, the officials said.

First Joint-Cambodian Enterprise To Be Set Up

OW2809010390 Tokyo KYODO in English 1329 GMT 27 Sep 90

[Text] Tokyo, Sept. 27 (KYODO)—The first joint Japanese-Cambodian enterprise is to be established in Cambodia later this year, industry sources said Thursday. The sources said a medium-size Tokyo lumber trading firm, Okada Co., has agreed with the Cambodian Government's Forestry Bureau to set up a joint log-sawing and sawn-wood exporting enterprise in Phnom Penh.

The joint firm will be capitalized at 6 million dollars, of which 40 percent will be provided by Okada and the balance by the Heng Samrin government in Phnom Penh.

The new firm will saw and process pine, Chinese quince and red sandalwood, logged in northeastern Cambodia by the Forestry Bureau, and all of the factory's products will be exported to Japan. The joint company will be granted the exclusive right to export logs and sawn wood, the sources said.

The new enterprise will build a plywood factory next spring, and will eventually take over two forests from the Forestry Bureau and start to fell trees directly. The firm will also start reforestation to protect the environment.

Cabinet Secretary Meets Chinese Visitors 28 Sep

OW2809191390 Tokyo KYODO in English 1057 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 KYODO—Japan will not return to its militaristic past, "not even in our dreams," Chief Cabinet Secretary Misoji Sakamoto assured Chinese officials here Friday.

Sakamoto, meeting at the prime minister's residence with Governor Wang Zhaoguo of Fujian Province and Chinese Embassy Minister Tang Jiaxuan, listened to some of China's concerns about recent talk in Japan of a proposed United Nations peace cooperation law, which would allow Tokyo to dispatch noncombat Self-Defense Forces overseas for U.N. peacekeeping efforts. Sakamoto told the officials, "military power under the civilian control of the prime minister absolutely will not be used. We do not want to consider a return to the past even in our dreams."

Tang said that they understood fully the press conference Thursday by Prime Minister Toshiki Kaifu, who discussed the draft bill before a nationwide television audience. "What China is saying is that this is a very sensitive matter for Asian nations, so we would like (Japan) to be prudent," Tang said.

Before Thursday's announcement, Kaifu and senior officials of the Liberal Democratic Party, had reportedly discussed a draft bill that would let the government dispatch troops overseas in the future. The proposed bill would allow the dispatch of noncombat Japanese personnel within the framework of a U.N. peacekeeping effort—a stipulation meant to allay fears that the sending of troops overseas is the first step toward the rearming of Japan. Several of Japan's Asian neighbors remain sensitive to any issue regarding a resurgence of the Japanese military, following Japan's harsh colonial rule of the continent before and during World War Two.

Also at the meeting, Sakamoto asked for Wang and Tang's assistance in returning some 1,000 Chinese refugees, who came to Japan last summer posing as Indochinese boat people. Another 1,700 were deported earlier. Wang, currently visiting Japan at the invitation of Nagasaki Prefecture, responded that China would accept those who have been recognized as Chinese.

Private Beacon Authorized on Senkaku Islands

OW2909140990 Tokyo KYODO in English 1256 GMT 29 Sep 90

[Text] Tokyo, Sep 29 (KYODO)—Japan's Maritime Safety Agency will soon authorize a beacon set up by a Japanese right-wing group on one of the disputed islands in East China Sea, the Senkaku Islands in Japan and Diaoyutai in China, agency sources said. Japan controls the group of five islets and three reefs, all uninhabited, which are claimed by China and Taiwan.

The agency believes the beacon is useful to safe navigation of ships and is acting on an application from its owner to authorize it, the sources said. The right-wing group, the Nihon Seinensha, built the beacon in 1978 on Uotsurishima, one of the five islands, situated about 400 kilometers off Okinawa Islands.

In 1971, the United States returned the islands to Japan with the reversion of Okinawa. There are rich fishing grounds in surrounding waters.

China and Taiwan have claimed the islands as their territory since the late 1960s.

Last summer, the right-wing group filed an application to the agency for approval of the beacon as an official lighthouse. The name of the applicant later was changed to a resident of Ishigaki Island, 170 kilometers off Senkaku Islands.

Panel To Study Issues of Developing Countries

OW2809133590 Tokyo KYODO in English 1243 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 KYODO—The Government has approved the establishment of an independent research institute to study ways to improve living standards in developing countries.

The Global Infrastructure Fund Research Foundation in Japan will carry out research projects for the development of global infrastructures to create a better living space and environment in the developing world, the foundation said in a statement. Research projects will include greening of deserts, water control, flood management, tropical forest preservation, and solar power, according to the release.

The foundation, funded by contributions from 40 companies and individuals, comes under the "Global Infrastructure Fund" concept promoted by the Federation of Economic Organizations (Keidanren), with the aim of developing world wide infrastructures, it said. Keidanren Chairman Eishiro Saito will serve as chairman of the foundation and Shoichi Saba, adviser to Toshiba Corp., will be president, the release said.

Government, Singapore Agree To Increase Flights

OW2909061490 Tokyo KYODO in English 0522 GMT 29 Sep 90

[Text] Singapore, Sept. 29 (KYODO)—Singapore and Japan agreed Saturday to increase the number of jumbo jet flights between the two countries by three per week from next April, the Japanese Embassy in Singapore said. The agreement, signed between Japan's Ministry of Transport and Singapore's Ministry of Communications and Information after two days of talks, also allows two additional flights per week by Boeing 747s from November next year.

Japan also agreed to allow an airline designated by Singapore to fly to a new destination—either Sapporo or Sendai. The national carrier, Singapore Airlines, currently flies to Narita, Osaka, Nagoya, and Fukuoka.

Institutions Take Measures To Prevent Laundering

OW2909111590 Tokyo KYODO in English 0828 GMT 29 Sep 90

[Text] Tokyo, Sept. 29 KYODO—Japanese financial institutions will tighten scrutiny of their customers' identity from October 1 to prevent money-laundering schemes from infiltrating their vast financial networks, industry sources said Saturday.

The customers will be required by banks, brokerages, insurance companies, and other financial institutions to show legal documents to identify themselves when they open accounts or safe deposit boxes, transfer cash over 30 million yen, or make overseas remittances or cashing of traveler's checks of over 5 million yen.

Individual customers will have to produce one of such documents as resident card, driver's license, or certificate of their seals. Corporate customers will be required to show either an extract from or exemplified copy of the register book. The new requirement will start October 1, the sources said.

A large-scale case of drug money laundering was recently exposed in Japan when funds belonging to a former leader of the Colombian Medellin cocaine cartel was found in a branch of the Swiss Bank Corp. in Tokyo.

The moves by Japanese financial institutions to tighten the identification checks to avoid their becoming unknowingly involved in money laundering are in line with the administrative guidelines the Finance Ministry issued in June.

The guidelines called for checking the identity of their customers and reporting to the authorities any suspicious transfers of cash.

EC Agrees on Auto Export Share After 1992

OW2809193190 Tokyo KYODO in English 1517 GMT 28 Sep 90

[Text] Brussels, Sept. 28 KYODO—The European Community (EC) and Japan have reached a basic accord to hold down Japan's market share of auto exports to the region to 18 percent following the integration of its market in 1992, sources said Friday.

The two sides also agreed to give EC automakers a five-year transition period after the merging of the markets before completely liberalizing the auto market to Japanese manufacturers, they said. During this five-year period Japan must continue to monitor its auto exports to the region.

The sources expect some time to elapse before a final agreement is reached, since many countries within the

EC are still divided on the issue. France and Italy vehemently oppose such a move, saying the ceiling is much too high.

Japan's opposition to an EC demand asserting that it should regulate not only domestically produced cars during the five-year period, but also those produced by its automakers within the EC, poses another stumbling block to a final settlement, the sources said.

Ministry To Tighten 'Euroyen' Lending for Land

OW2809043290 Tokyo KYODO in English 0058 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 (KYODO)—The Finance Ministry plans to tighten controls on lending for land transactions using Euroyen, or Japanese currency held in banks outside Japan in October in a bid to rein in soaring land prices, ministry officials said Friday.

Financial institutions will be required to submit to the ministry reports on deals involving land transactions via Euroyen loans, they said.

The measures are expected to close a loophole in enhanced controls on land-related lending activities, which the ministry launched in April to reduce the net balance of such lending, they said.

The nation's land prices seem to have peaked in the Tokyo metropolitan area but continue to soar in other areas despite the April steps, which are the tightest since 1973, the officials said. The officials blamed the continued rise in land prices on active fund-raising through the Euroyen markets in Hong Kong, Singapore, and European countries.

Regulation of the untied loans, known as "impact" loans, from the Euroyen markets, was scrapped in principle in 1980 to respond to growing foreign calls for more use of the Japanese currency in international trade.

Tighter Credit Said Not Cause of Stock Crash

OW2809043390 Tokyo KYODO in English 0144 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 (KYODO)—Finance Minister Ryutaro Hashimoto on Friday said that the current Tokyo stock crash could not be attributed to the high level of interest rates. Hashimoto's remarks were made shortly after the 225-issue Nikkei Stock average fell 154.26 yen to 21,617.65 yen in the first 15 minutes of trading.

The finance minister, speaking at a press conference after a regular cabinet meeting, said the stock crash is due chiefly to growing tensions in the Middle East after the Iraqi August 2 invasion and annexation of Kuwait.

"Current levels of interest rates reflect real funds demand in the money market," Hashimoto said.

Officials Concerned Over Inflation, Market

OW1309093790 Tokyo KYODO in English 0728 GMT 13 Sep 90

[Text] Tokyo, Sept. 13 KYODO—Bank of Japan Governor Yasushi Mieno said Thursday that price movements must be watched carefully in view of the recent surge in oil prices on top of high money supply growth. Speaking before a gathering of brokerage house representatives, Mieno said the money supply growth remains at high levels compared with actual economic growth.

Mieno noted that the nation's labor market and the balance of supply and demand for goods are becoming increasingly tight amid economic expansion based on domestic demand.

Explaining the reason for the latest official discount rate hike, Mieno said the central bank action was taken with the aim of keeping latent inflationary pressures from surfacing. Mieno said he hopes the latest measure will serve to head off inflation as well as contribute to stability in the financial markets.

The Bank of Japan raised its official discount rate on August 30 by 0.75 percentage point to 6 percent a year.

In a separate speech Thursday, Finance Minister Ryutaro Hashimoto said brokerage houses are facing more acute business conditions than in the past and urged them to establish management that could weather changes taking place in the stock market. Hashimoto was apparently referring to the recent slump in stock prices, which many economists say will squeeze earnings at brokerage houses.

Touching on the recent case of stock price manipulation involving employees at some brokerage houses, Hashimoto said securities firms should make further efforts to prevent a recurrence of such incidents.

Brake on Corporate 'Spending Spree' Predicted

OW2809092890 Tokyo KYODO in English 1041 GMT 27 Sep 90

[Text] Tokyo, Sept. 27 KYODO—Japan's capital investment is mostly unaffected by higher interest rates, the stock market collapse, and rising oil prices, and is expected to remain brisk in the current business year, posting double-digit growth for the third consecutive year.

All-industry corporate spending on plants and equipment will grow between 12.1-17.0 percent in fiscal 1990 ending March 31, 1991, according to reports published by four major financial institutions by Thursday.

The four banks, Industrial Bank of Japan (IBJ), Long-Term Credit Bank of Japan, Japan Development Bank, and the Bank of Japan, predicted a 17.3-23.6 percent growth in the manufacturing sector, and an 8.8-14.6 percent expansion in nonmanufacturing industry.

A survey released by IBJ forecast that corporate spending is expected to increase 16 percent from a year earlier to 34.1 trillion yen in fiscal 1990. Investment by manufacturers is expected at 8.5 trillion yen and that by nonmanufacturers to total 21.4 trillion yen.

Despite the deteriorating conditions for corporate investment, Japanese companies are likely to go ahead with their original investment plans, in view of the acute labor shortage, increasing competition, and the confidence in economic health, the survey said.

The survey was based on a questionnaire conducted in early August on 3,103 companies. But it said that it is possible that corporate investment may gradually slow down, if oil prices and interest rates stay high and stock prices continue to be in a tailspin.

The IBJ forecast the total value of corporate spending in fiscal 1991 at 33.7 trillion yen, down 1.0 percent from fiscal 1990. The manufacturing industry plans to spend 8.2 trillion yen, or 4.3 percent less than in the current fiscal year, and the nonmanufacturing sector 21.2 trillion yen, down 0.5 percent.

One of the reasons for slower investment is that available corporate liquidity will gradually decrease since equity finance, one of the popular fund-raising measures through new stock issues, has become tighter due to the stock market slump, it said.

The survey also cited higher interest rates, uncertainty over future economic developments, and banks' restrictions on lending with an eye on higher capital-to-asset ratios, as other major reasons expected to put a brake on the corporate spending spree.

BOJ Plans Tighter Reins on 4th Quarter Lending

OW2809191990 Tokyo KYODO in English 1036 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 KYODO—The Bank of Japan (BOJ) on Friday decided to strengthen its constraints over commercial bank lending during the October-December quarter in a bid to contain growing inflationary pressures due to the robust economy and the Persian Gulf crisis, BOJ sources said.

The central bank will ask Japan's 12 major commercial banks to curb the pace of growth in their lending by 33.4 percent from the corresponding period last year, the sharpest pullback since a 35 percent drop in lending growth tempo in the January-March quarter in 1974.

The austerity policy reflects the BOJ's concern over accelerating inflationary pressures, fueled by the tightened labor and manufactured goods markets amid the overheating economy as well as rising oil prices after Iraq's invasion of Kuwait in early August, the sources said.

The central bank has maintained a tight grip on bank lending since the July-September period last year.

It will also request long-term credit banks and trust banks to pare their lending growth by 23.7 percent and 33.8 percent, respectively. As a result, the nation's bank lending increase will moderate to 10-11 percent at the end of December from a 12 percent expansion at the end of September, they said.

The sources also said banks are not necessarily reluctant to agree to the lending controls as they want to pull out of less profitable loans in order to better manage their operations and meet the 8 percent capital-to-asset ratio requirement, set by the Bank for International Settlements (BIS).

Bank To Build North American Lending Network

OW2909091590 Tokyo KYODO in English 0835 GMT 29 Sep 90

[Text] Tokyo, Sept. 29 KYODO—The Bank of Tokyo is planning to build a lending network across North America to strengthen its overseas operations, an official of the specialized foreign exchange bank said Saturday.

Specifically, the bank will establish lending offices called the Loan Production Office (LPO) in such cities in the United States as Washington, Boston, Pittsburgh, and Dallas, he said. Each LPO with a staff of more than 10 persons, mostly locally employed, will not accept deposits but exclusively engage in the lending business targeting medium-sized non-Japanese firms in the U.S.

In a related development, the Japanese bank recently carried out restructuring of the operations of its branches and subsidiaries in Houston, Miami, and Vancouver, Canada.

In Asia, the official said, there is a possibility of the bank being allowed to open a representative office in China late this year. China has apparently become positive about establishment of the branches of foreign banks and financial joint ventures with foreign capital, he said.

The bank will also expand its operations in Indonesia to meet growing business of Japanese firms operating in that country, the official said.

Mitsubishi, Daimler-Benz Plan Aircraft Service

OW1309145090 Tokyo KYODO in English 1318 GMT 13 Sep 90

[Text] Tokyo, Sept. 13 KYODO—Mitsubishi Corp. is planning a tie-up with Davis Daimler-Benz Interservice, a trading arm of Daimler-Benz AG, and the world's biggest airplane leasing concern, GPA of Ireland, in airplane operating leasing services, industry sources said Thursday.

The partnership will be the first project under a wide-ranging business cooperation agreement reached in March between Mitsubishi group and Daimler-Benz, the largest conglomerates in Japan and West Germany. The joint venture is expected to be approved and detailed at a scheduled meeting between the two groups in Tokyo on September 19.

The tie-up, to be established as early as within the year, will see the purchase of dozens of small to medium-size airplanes and their lease in the Japanese, the United States, and European markets, the sources said.

Capital for the new firm and the proportion of investment by the three partners has yet to be decided.

The link-up results in Mitsubishi's entry into the airplane market, seen as a very promising field due to the chronic supply shortage of both new and old planes.

GPA, which accounts for an overwhelming 40 percent share in the airplane leasing market, also aims to further expand its domain, taking advantage of the financial might of the two business giants. Mitsibishi Corp. and Mitsubishi Trust and Banking Corp. have a combined 12 percent stake in GPA.

The project will also benefit the Japanese and West German groups, which are eyeing an advance into the aeronautics and space industry through the partnership in the future.

Company To Build Desalinization Plant in Oman

OW2809062790 Tokyo KYODO in English 1256 GMT 27 Sep 90

[Text] Osaka, Sept. 27 (KYODO)—Hitachi Zosen Corp., a major Japanese heavy machinery maker, has received a 25 billion yen order from the Oman Government to build desalination and generator plants jointly with a leading Japanese trading firm and a Swiss electrical equipment maker, Hitachi officials said Thursday.

Hitachi Zosen, Nissho Iwai Corp. of Japan, and Asea Brown Boveri AB of Switzerland will be responsible for the design, procurement and construction of the plants, which will be completed and handed over in two years on a turnkey basis, the officials said.

The plants, an extension of the existing one built by Hitachi in Oman's Al Khaburah district, will desalinate five million gallons of seawater a day and generate 30,000 kilowatts of electricity, according to officials.

Government Plans To Amend Export Controls

OW2809092590 Tokyo KYODO in English 1143 GMT 27 Sep 90

[Text] Tokyo, Sept. 27 KYODO—The government decided Thursday to relax controls on exports of five products, while at the same time tightening restrictions on exports of a number of drugs and a certain type of chlorofluorocarbon, sources said.

The government decided during a cabinet meeting held earlier in the day to lift restrictions on exports of tungsten, cement, synthetic acrylic fibers, and two other products by amending the export trade control order, they said.

On the other hand, it will beef up controls on freon 115, a type of chlorofluorocarbon, stimulants, and psychotropic drugs, by including them on the list of restricted exports.

Exports of such products as tungsten and cement were banned after World War II because they were needed in Japan to resuscitate the war-ravaged economy. But now that times have changed, the government has decided to ease export restrictions on the goods since there is no longer any need to maintain them.

Freon 115, stimulants, and psychotropic drugs must gain approval from the Ministry of International Trade and Industry before they can be exported.

Exports of the chlorofluorocarbon will be regulated to ensure a steady supply of the substance for the nation in the wake of international restrictions over the production of ozone-depleting chlorofluorocarbons.

The government hopes to limit exports of the drugs to prevent the misuse of the substance, which is now a growing social problem, and to check illegal international trade.

'Huge Drop' in Steel Exports Reported

OW2809191290 Tokyo KYODO in English 1102 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 KYODO—A huge drop in exports to the Soviet Union and China helped to lower Japan's total steel exports by 12.0 percent in August from the year before, an industry association reported Friday.

Japan's steel exports totaled 1,452,000 metric tons in August, up 0.7 percent from July, the Japan Iron and Steel Federation said. Exports to the Soviet Union plunged 93.0 percent to 4,000 tons, while exports to China sank 37.2 percent to 190,000 tons. Exports to the United States declined 11.4 percent to 249,000 tons and to Taiwan 26.3 percent to 134,000 tons. But exports to South Korea jumped 18.5 percent to 147,000 tons, for the first rise in 14 months.

Imports of ordinary rolled steel dropped 15.9 percent on a year-on-year basis to 470,000 tons, falling for the third month in a row, the federation said.

Poll Says Kaifu Cabinet Retains High Support

OW2909061590 Tokyo KYODO in English 0541 GMT 29 Sep 90

[Text] Tokyo, Sept. 29 (KYODO)—The cabinet of Prime Minister Toshiki Kaifu retains a high public support rating of 59.3 percent although dissatisfaction over his foreign policies has grown, according to a KYODO NEWS SERVICE survey released Saturday.

The rate was down from 63.0 percent at the time of the previous survey in June. The poll, conducted earlier this week, also showed that the ruling Liberal Democratic Party (LDP) has retained the popular support which it lost on introducing the 3 percent consumption tax.

In contrast with the high rate of voter support for the Kaifu administration and his ruling party, the approval rate for the largest opposition party, the Japan Socialist Party (JSP), sharply declined.

KYODO conducted the survey September 25 and 26, covering 3,000 people aged 20 or older. Of those surveyed, 1,961 or 65.4 percent responded. Japan has some 90 million eligible voters.

While support for the Kaifu cabinet decreased slightly, there was also a corresponding fall in the percentage of those who do not support the cabinet—to 27.7 percent from 32.1 percent in the previous survey. Among those who said they support the Kaifu cabinet, 36.1 percent, up from 31.9 percent in June, said there is no appropriate alternative.

The increase of those who support Kaifu because they can see no other person suitable for the premiership is attributable to the hospitalization of former LDP Secretary General Shintaro Abe, political analysts said. Abe, who has been widely viewed as the most likely successor to Kaifu, was hospitalized September 14 for health checks and canceled a visit to the Soviet Union scheduled for September 20 to 26.

Abe, leader of the second-largest faction in the LDP, had an operation on his bile duct in May last year and was hospitalized for two months.

The poll showed that 21.7 percent, down from 22.6 percent, support the cabinet because it is an LDP government.

According to the survey, 20.5 percent, down from 26.3 percent, support the cabinet because they trust the prime minister.

Among those who said they do not support the cabinet, 25.7 percent, down 7.5 points from the previous poll, said they disapprove of it because it is backed by the LDP.

Those who said they do not support the cabinet because they have little confidence in the prime minister's handling of foreign policy increased to 20.6 percent from 12.8 percent in June. The upsurge of doubt about Kaifu's diplomatic ability shows mounting public dissatisfaction over his leadership ability in foreign policy, including measures to help resolve the Persian Gulf crisis.

By political parties, the support rate for the LDP was 52.3 percent, a slight decrease of 1.1 point. The support rate for the JSP, however, decreased to 18.6 percent from 23.4 percent in the previous survey. Support for the JSP reached 33.8 percent in August last year following the party's strong showing in the House of Councillors election the previous month, when the LDP lost its overall majority in the upper house.

The popular support rate for Komeito, the No. 2 opposition party, was 4.0 percent compared with 3.7 percent in June, while that for the Japan Communist Party was 2.1 percent, unchanged from the previous poll, the Democratic Socialist Party 2.3 percent (1.8 percent), and the United Social Democratic Party 1.2 percent (0.7 percent).

Companies Unveil Earth Resources Satellite

OW2809144890 Tokyo KYODO in English 1359 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 KYODO—ERS-1, the first earth resources satellite, and assembled by a group of seven Japanese companies including Mitsubishi Electric Corp., was Friday introduced to the press for the first time at Mitsubishi's Kamakura Works in Kanagawa Prefecture. Assembling work on the satellite has nearly been completed by the group, on commission from the Ministry of International Trade and Industry and the National Space Development Agency (NASDA).

The attitude control equipment and sophiscated electronic equipment, so far kept secret, were unveiled. However, an antenna of the folding screen type and a solar cell were not made public.

ERS-1's top feature is that it can observe the state of the earth's surface in detail even in inclement weather or at night, and that it can recognize objects up to 18 meters in length and width, officials said. The satellite can be used in the exploration of natural resources like oil and minerals, in the collection of data necessary for preservation of the environment, in the prevention of natural calamities, and in the hunt for fishery resources. The satellite is a box type, 3.1 meters in height, 1.8 meters in width, 0.9 meter in length, and weighing 1.4 tons.

NASDA will send ERS-1 to Tsukuba Space Center in Tsukuba, Ibaraki Prefecture, northeast of Tokyo, where the durability and functions of sensors will be checked before its launching scheduled for early 1992. Investments in the project are estimated to total 75 billion yen.

Fujitsu Develops Automatic Translation System

OW2809140790 Tokyo KYODO in English 1231 GMT 28 Sep 90

[Text] Tokyo, Sept. 28 KYODO—Fujitsu Ltd. has developed a system for automatic translation into English of Japanese sentences entered into a central computer, in a personal computer (PC) communication network, the company revealed Friday. Officials said the new system will soon be introduced into the Fujitsu-affiliated PC communications network, Niftyserve, so that network members, even those not good at English, may easily send English-language electronic mail to overseas partners utilizing the new system.

The officials said a Fujitsu research team is now developing a similar English-into-Japanese automatic translation system. The development of such systems will spur the internationalization of PC communications, they said.

Officials said the new development is a full-scale Japanese-language translation system with machine translation software woven into the Niftyserve central computer. Fujitsu is also considering the possible inauguration of Japanese-into-English translation services, utilizing the new system.

Niftyserve is Japan's largest PC communication network with a membership of 134,000 as of the end of August. The United States' largest PC communication network, Compuserve, has a membership of about 80,000. The two networks are linked with each other.

Industrial Production Rises in Past Year

OW2709085390 Tokyo KYODO in English 0733 GMT 27 Sep 90

[Text] Tokyo, Sept. 27 KYODO—Japan's industrial production in August rose 5.5 percent from a year earlier, propelled by strong domestic demand, the Ministry of International Trade and Industry (MITI) reported Thursday.

"The current Persian Gulf crisis appears to have had no significant impact on the manufacturing industry's activities," a MITI official said.

The month-on-month upswing in production at factories and mines was only 0.3 percent on a seasonally adjusted basis, but that was attributed to a decline of output in the electronics industry due to sluggish sales of mainframe computers. The sales of mainframe computers were apparently plagued by expectations among users that new models will soon come on stream, MITI officials said.

Besides electronics makers, production by machinery manufacturers also dropped. But output posted gains in all other industrial sectors in August.

The August production index stood at a seasonally adjusted 127.4 against the base figure of 100 for 1985.

Shipments in the month rose a healthy 5.8 percent from the same period last year, and picked up 0.6 percent from the previous month, with the seasonally adjusted shipment index standing at 128.8. Shipments of automobiles were especially massive, supported by robust domestic demand.

Inventories declined 0.8 percent from the year-earlier level, but edged up 0.7 percent from the previous month. The inventory index in August was at a seasonally adjusted 108.1.

Showing the only visible effect of the Gulf crisis, inventories of oil and coal products plunged 4.2 percent from a month ago.

Major Japanese manufacturing companies do not expect any big slumps in production down the road, MITI officials said. They said the industrial production will dip 1.1 percent in September from August, but perk up 4.8 percent in October.

North Korea

Commentary Assails South's Plan for UN Entry

SK0210093090 Pyongyang Domestic Service in Korean 1150 GMT 1 Oct 90

[Commentary by station commentator Chong Pong-kil: "An Improper Act"]

[Text] According to a report, the UN Headquarters released a letter from the South Korean UN ambassador [as heard] to the chairman of the UN Security Council. In the letter, the South Korean UN ambassador said South Korea's UN entry should be discussed between the South Korean Government and the UN member states, and that South Korea's UN entry should not be rejected. He stated if North and South Korea are given separate seats in the United Nations, it will help ease tension between the North and South. This reveals once again the South Korean authorities' divisionist and antireunification position that is aimed at perpetuating the division of the country, using the United Nations as an arena, and totally contradicts the aspirations and yearnings of the entire fellow countrymen for reunification.

All our nation's people today have launched themselves into the struggle to realize without fail the reunification of the fatherland in the nineties. Our nation's ardent desire for the fatherland's reunification is higher than ever, and nothing can stop this trend.

Reflecting this aspiration and yearning of the entire nation for reunification, the North-South High-Level Talks, led by premiers, are under way for the first time in the history of division, and in the first round of the high-level talks we raised UN entry as an issue needing urgent solution to end the political confrontation. Based on our proposal, delegates to the North-South High-Level Talks held a contact 18 September on the North and South entering the United Nations by sharing a single seat. The delegates agreed to hold the second contact on 5 October.

The South Korean UN ambassador, nevertheless, said the South Korean Government and the UN member states should discuss the South's UN entry. This is a challenge to the dialogue's other party. The UN entry issue has a direct bearing on Korean reunification, and it is an internal issue for the nation. Only our nation can settle this internal issue. No one has the right to tell our nation what to do.

While the South Korean authorities were discussing with us North-South UN entry through sharing a single seat, they turned round and mentioned the need for discussing it with someone. This is an attempt to realize their UN entry, licking the hand of foreign forces ignoring the fellow countrymen.

Furthermore, the person called the South Korean UN ambassador babbled, in an attempt to justify their UN entry maneuvers, that if the North and South each have their own UN seats, it will help ease tension between them. Simultaneous UN entry by the North and the South or South Korea's separate entry is certain to bring the grave consequences of making the division an established fact internationally and leaving an irremovable stain on the national history.

Tensions are aggravated and the danger of war is increasing on the Korean peninsula, not because the North and the South have not entered the United Nations, either together or separately. It is because the country is divided and because the U.S. imperialists who occupy South Korea and the South Korean authorities, who are instigated by the U.S. imperialists, persistently engage in anticommunist confrontation and war maneuvers. Fixing the present division will increase the confrontation and distrust between the North and the South and aggravate the danger of war.

Facts prove that the position of the South Korean authorities seeking division remains unchanged in the nineties. The improper act of the South Korean authorities, who visit the UN arena to legalize the Korean division, babbling about simultaneous UN entry and separate UN entry while carrying on dialogue with us, is causing many to harbor suspicion.

The North-South dialogue is the dialogue for reunification. It is far from the dialogue for division. If they should aim at fixing the division of the country, they need not sit with us. The South Korean authorities should stop the maneuvers for the two Koreas plot and come to the North-South dialogue with sincerity, in conformity with the entire nation's aspiration for reunification. We will watch closely the remarks of the South Korean person in authority, who said he would reconsider the issue of UN entry.

South Groups To Protest 'Agro-Stock Markets'

SK0110220590 Pyongyang KCNA in English 1458 GMT 1 Oct 90

[Text] Pyongyang October 1 (KCNA)—About 100 personages representing the "National Council of Farmers' Organizations," the "National General Federation of Peasant Unions," the "Coalition for National Democratic Movement" and other organizations and religious and academic circles of South Korea inaugurated an all-people joint measure committee to check the U.S.-imposed opening of agro-stock markets in Seoul on September 28, according to a report.

In the inaugural declaration, they denounced the opening of agro-stock markets as "representing the U.S. interests," adding that if the opening is expanded, it would not only devastate agriculture but also result in massive unemployment and deteriorate the housing shortage and poverty in towns.

They vowed to vigorously fight to check the U.S.-imposed opening of agro-stock markets.

The all-people joint measure committee launched a signature campaign against the opening of agro-stock markets that day and decided to hold a grand people's forum and an all-people rally in Seoul in mid-October.

PRC Anniversary Celebrated at Chinese Embassy

SK0210044390 Pyongyang KCNA in English 0425 GMT 2 Oct 90

[Text] Pyongyang October 2 (KCNA)—Chinese Ambassador to Korea Zheng Yi gave a reception at the embassy Monday evening on the occasion of the 41st anniversary of the founding of the People's Republic of China.

Present at the reception on invitation were Yi Chong-ok, member of the Political Bureau of the C.C. [Central Committee], the Workers' Party of Korea [WPK] and Vice-President; Kang Hui-won, alternate member of the Political Bureau of the C.C., the WPK and vice-premier; and other officials concerned.

Speaking first at the reception, Zheng Yi said the great friendship between the two parties, two countries and two peoples of China and Korea was initiated and cultivated personally by the veteran revolutionaries of the two countries. It, based on the proletarian internationalism, is relations of friendship without an equal in the world, he said.

Noting that the two countries would grandly celebrate the 40th anniversary of the entry of the Chinese people's volunteers into the Korean War, he stressed: We believe that through this celebration, the close relations between the two parties, two countries and two peoples will grow stronger. To steadily strengthen and develop Sino-Korean friendship is an unswerving policy of the Chinese party, he declared, and continued:

We will as in the past, so in the future, too, make every possible effort to develop friendly relations between the peoples of the two countries.

Pointing out that the cause of socialism is now facing a challenge, he stressed that it is inevitability of the developing history and the main trend of the development of the modern history that socialism wins over capitalism.

No force on earth can block our advance along the road of socialism and our cause will surely end in final victory, he emphasized.

Speaking next, Kim Yong-nam, member of the Political Bureau of the C.C., the WPK, vice-premier and foreign minister, said over the past 41 years after the founding of the Republic, the industrious and courageous Chinese people have built a prosperous socialist power on the vast land of China, dynamically advancing along the road of socialism under the leadership of the Communist Party of China.

The Chinese people who have entered a new stage of development after the third plenary meeting of the 11th Central Committee of the Communist Party of China have made a great progress in their efforts for deepening reforms and opening to the outside world and building socialism with Chinese characteristics, while consolidating the stable and united political phase and holding fast to the four principles under the correct guidance of the leadership of the CPC with respected Comrade Jiang Zemin at the core, he said, and added:

The Korean people sincerely rejoice at the fact that everything is going well in China and express firm solidarity with the Chinese party, government and people in their efforts to realise a peaceful reunification of the country according to the concept of "one country, two systems"

Kim Yong-nam further said:

Today Korea-China friendship is further consolidating and developing in the struggle for the victory of the cause of socialism. The great leader Comrade Kim Il-song's visit to China in November last year and respected Comrade Jiang Qemin's visit to Korea in march this year marked events of weighty significance in further developing the bonds of friendship and solidarity between the two parties, governments and peoples based on close comradely relations and noble revolutionary obligation in keeping with the requirements of the present situation.

No matter what storms and stress may come, the Korean and Chinese peoples will fight shoulder to shoulder to the end for the victory of the cause of socialism and communism under the banner of revolution, Kim Yong-nam stressed.

Vietnamese Delegation Meets Yon Hyong-muk

SK0110110990 Pyongyang KCNA in English
1032 GMT 1 Oct 90

[Text] Pyongyang October 1 (KCNA)—Yon Hyong-muk, premier of the Administration Council, today met and had a friendly talk with the Vietnamese Government delegation led by Minister of Heavy Industry Tran Lum.

Present on the occasion were Minister of Machine Industry Kye Hyong-sun and Vietnamese Ambassador here Nguyen Van Trong.

Protocol Signed With Vietnam

SK0110110390 Pyongyang KCNA in English
1029 GMT 1 Oct 90

[Text] Pyongyang October 1 (KCNA)—A protocol of the second meeting of the Inter-Governmental Committee of Economic and Scientific-Technological Cooperation between the DPRK and Vietnam was signed here today.

Present at the signing ceremony on our side were Kye Hyong-sun, minister of machine industry, and other officials concerned, and the opposite side were members of the Vietnamese Government delegation headed by Tran Lum, minister of heavy industry, and Vietnamese Ambassador to Korea Nguyen Van Trong.

The protocol was signed by Kye Hyong-sun and Tran Lum.

Malagasy Envoy Opposes ROK's UN Entry Plan

SK2909045990 Pyongyang KCNA in English
0430 GMT 29 Sep 90

[Text] Pyongyang September 29 (KCNA)—The South Korean authorities must give up their moves to perpetuate division of Korea through "unilateral entry into the United Nations" and accept the proposal to found a democratic confederal republic of Koryo [DCRK].

Maharaboro Delis, member of the Supreme Council of Revolution of Madagascar, said this in an interview with a KCNA correspondent to his country on September 19.

The reasonableness and correctness of the DCRK founding proposal clarified by respected President Kim Il-song at the Sixth Congress of the Workers' Party of Korea in October, 1980, are proved all the clearer now after the lapse of ten years, he said.

This proposal, he added, is a reasonable way possible for the solution of the reunification question of the Korean peninsula in compliance with the common requirement and interests of the nation because it correctly reflects the objective realities in Korea.

This is a proposal acceptable for each Korean who wants unity and reunification, not a permanent division of the nation, whether he or she lives in the North or the South or abroad, he stated.

The proposal, in particular, is an aboveboard and realistic one carrying the three principles of independence, peaceful reunification and great national unity clarified in the July 4 North-South joint statement, he added. The South Korean authorities, he said, if they truly want unity and reunification of the nation, have no ground to refuse to accept the proposal. Madagascar recognises the Democratic People's Republic of Korea only, he declared.

Malagasy News Agency Cited

SK0110112990 Pyongyang KCNA in English
1021 GMT 1 Oct 90

[Text] Pyongyang October 1 (KCNA)—The South Korean authorities' attempts to freeze the division of the Korean peninsula through "unilateral entry into the United Nations" are a separatist act of ignoring the fellow countrymen's ardent desire for reunification, said the Malagasy news agency in a news analysis September 21.

Noting that the South Korean authorities are persistently resorting to moves for a permanent division of the nation, peddling "formula of unilateral U.N. membership" when the inter-Korean high-level talks are currently under way, the article branded this as an outspoken challenge to the trend of the times toward reunification, as an insidious act of reversing the agreement reached through dialogue between the North and the South of Korea.

Mozambican Party, Others Arrive for Visit

SK2909045390 Pyongyang KCNA in English 0436 GMT 29 Sep 90

[Spelling of all names as received]

[Text] Pyongyang September 29 (KCNA)—A Mozambican Party Workers delegation led by Jose Fanequico, secretary in charge of ideology of the Maputo City Committee of the Mozambique Liberation Front Party, and a delegation of workers of the Zimbabwe African National Union-Patriotic Front led by L. Kadungure, department director of the Ministry of Political Affairs, arrived here on September 28 on a visit to Korea.

Earlier, a Guinea-Bissau Party Workers Delegation led by Joao Sediba, deputy international secretary of the C.C. [Central Committee], the African Party for Independence of Guinea-Bissau and Cape Verde, arrived here.

A delegation of the committee on social welfare and sports of the house of representatives of Thailand led by Prachum Rattanapian, vice-chairman of the committee, and Johann Baumler, deputy director of the United Nations Fund for Science and Technology for Development, arrived here on September 28.

Home-visiting groups of students of Korean high schools in Japan and the 146th short-term home-visiting group of Koreans in Japan arrived in Wonsan on the same day.

Nigerian Envoy Attends School Sports Day

SK0110045190 Pyongyang KCNA in English 0442 GMT 1 Oct 90

[Text] Pyongyang October 1 (KCNA)—A friendship gathering took place at the Korea-Nigeria Friendship Pyongyang Kaeson Senior Middle School on September 30 on the 30th anniversary of the independence of Nigeria.

Invited there were Nigerian Ambassador to Korea Salau Adeku Lawal and his embassy officials.

The participants joined pupils in colourful sports games on "children's autumn sports day" and saw a performance of art circle members of the school.

Then they had a friendly chat.

Kim Il-song Greets Guinean President

SK0110112590 Pyongyang KCNA in English 1027 GMT 1 Oct 90

[Text] Pyongyang October 1 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea on October 1 sent a message of greetings to Lansana Conte, president of the Military Committee of National Redressment, president and head of state of the Republic of Guinea, on the occasion of the 32nd anniversary of independence of the country.

The message noted that the Guinean people have made a big progress in the work to consolidate the national unity and develop the economy of the country since they began national redressment under the leadership of the Military Committee of National Redressment headed by President Lansana Conte.

Expressing the belief that the excellent friendly and cooperative relations between the two countries will grow stronger and develop the message wished the Guinean president and people greater success in the work for the independent development and prosperity of the country.

Foreign Media Praise 'Superior Socialism' Idea

SK0210050190 Pyongyang KCNA in English 0449 GMT 2 Oct 90

["Socialism of Korea Is Peculiar One Which Is Guided by the Chuche Idea"—KCNA headline]

[Text] Pyongyang October 2 (KCNA)—Tanzanian and Guinean media praised the socialism of Korea.

SHIHATA on September 9 noted that president Kim Il-song has built a most superior socialism in the world where the masses of the people are genuine masters of the state and society and everything of the state and society serves them.

It said:

President Kim Il-song has built a solid independent national economy by thoroughly applying the chuche idea in the economic sector.

The Democratic People's Republic of Korea has brought about great changes in all fields as it is guided by the chuche idea, in all its activities.

Now, vigorous efforts are being made in Korea to develop the chuche-oriented, modern national economy and thus further upgrade the level of the country's development.

The cause of modelling the whole society on the chuche idea is successfully being carried to accomplishment in the DPRK under the wise guidance of the dear leader Comrade Kim Chong-il.

The Guinean radio on September 9 stressed that the socialism of Korea is a peculiar one which is guided by the chuche idea.

Yang Hyong-sop Meets With Thai Delegation

SK0110111990 Pyongyang KCNA in English 1031 GMT 1 Oct 90

[Text] Pyongyang October 1 (KCNA)—Yang Hyong-sop, chairman of the Standing Committee of the Supreme People's Assembly, today met and had a friendly talk with the delegation of the Committee on Social Welfare and Sports of the House of Representatives of Thailand headed by its Vice-Chairman Prachum Rattanapian at the Mansudae Assembly Hall.

Iranian Foreign Ministry Delegation Departs

SK0110075790 Pyongyang Domestic Service in Korean 1300 GMT 29 Sep 90

[Text] The Iranian Foreign Ministry delegation led by Vice Minister (Alohedin Borozergi) left for home today by plane. Vice Foreign Minister Cho Kyu-il and Iranian Ambassador to our country (Hassan Tabir) saw off the delegation.

'Hundreds' Visit Museum on WPK Anniversary

SK0110103590 Pyongyang KCNA in English 1014 GMT 1 Oct 90

[Text] Pyongyang October 1 (KCNA)—Working people are visiting the party founding museum from different parts of the country on the occasion of the 45th founding anniversary of the Workers' Party of Korea [WPK] (October 10, 1945).

Hundreds of, or more than 1,000, people visit it every day.

The museum with a total plottage of 24,000 square metres and with a total floor space of 1,800 square metres is situated in a corner of the city center of Pyongyang.

It was reconstructed to present the old looks of the building of the party Central Organizing Committee right after the liberation of the country (August 15, 1945).

On display here are hundreds of historical materials and relics showing the revolutionary exploits performed by the great leader President Kim Il-song in founding the party and accomplishing the cause of building the country and the Army after his triumphal return home following the victorious anti-Japanese revolutionary struggle.

Two office rooms where President Kim Il-song worked, a waiting-room and a conference room are preserved in their original state on the second floor.

Office room No.1 is a significant room where he worked for the founding of the WPK. Ordinary desks and chairs can be seen in this humble room. Here he made preparations for the founding of our party and took various steps to strengthen and develop it. And he wrote many speeches and worked out draft laws and met with many people including workers and peasants.

Office room No.2 is a room where he worked from the summer of 1946. In this room he published the draft programme and rules of the party he personally worked out and authored many classical works.

In the conference room on the second floor President Kim Il-song convened the historical inaugural meeting of the party on October 10, 1945, and proclaimed the party founding to the world.

There are seven rooms on the first floor where historical materials are exhibited.

The house where President Kim Il-song shared board and room with his revolutionary comrades in the days of founding the party after his triumphant return home is preserved in its original state outside of the building of the museum.

Around the museum is a monument built to convey his immortal feats down through generations.

National Photo Exhibit Marks WPK Founding

SK0210104890 Pyongyang KCNA in English 1012 GMT 2 Oct 90

[Text] Pyongyang October 2 (KCNA)—A national photo exhibition opened today on the occasion of the 45th founding anniversary of the Workers' Party of Korea [WPK].

More than 170 pieces of pictures are displayed in three parts at the exhibition which is open on the subject "The Glorious 45 Years of the Party".

The first part reviews the facts that the great leader President Kim Il-song founded the WPK and has strengthened and developed it as an invincible revolutionary party, and the triumphant achievements gained by the Korean people in the revolution and construction under the wise leadership of the WPK.

Seen in the second part are the most realistic proposals of national reunification put forward by the WPK and the successes gained in the struggle for carrying them out and in the third part the support and encouragement of the revolutionary people of the world for our cause of revolution.

The opening ceremony of the exhibition was held today at the grand people's study house.

Choe Tae-pok, alternate member of the Political Bureau and secretary of the C.C. [Central Committee], WPK, made an opening address at the ceremony.

Daily Comments on Administrative, Economic Work

SK2909084090 Pyongyang Domestic Service in Korean 0007 GMT 21 Sep 90

[NODONG SINMUN 21 September editorial: "Let Us More Substantially Carry Out Party Guidance in Administrative and Economic Work"]

[Text] Upholding the great leader Comrade Kim Il-song's New Year address of this year and his policy speech at the First Session of the Ninth Supreme People's Assembly our people are today vigorously waging the struggle to occupy a new high peak of socialism and to extensively enhance the superiority of the socialist system of our country by vigorously accelerating the revolution and construction. At present, they are waging a vigorous struggle with the firm determination not only to greet the 45th anniversary of the founding of the party with high revolutionary zeal and brilliant labor exploits, but also to victoriously fulfill the national economic plan of the first year of the nineties.

The many tasks facing us today and the developing reality demand that party organizations and party functionaries pay deep interest to the work of fulfilling this year's plan ahead of schedule and that they more substantially carry out party guidance in administrative and economic work. Strengthening party guidance in socialist economic construction is a most important duty of the party.

Comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the party Central Committee, has indicated: Party guidance in administrative and economic work constitutes an important part of party work, along with the internal work of the party.

For the party which carries out socialist construction, party work is synonymous with correctly guiding economic construction. Only by vigorously pushing ahead with socialist economic construction can we not only enhance the superiority of the unique socialist system of our country higher based on the material and technological foundation of socialism which has already been provided in our country, but also epochally improve the people's living by constantly developing the economy. The task which has been assigned to us today and today's developing reality demand that party guidance in administrative and economic work be further strengthened.

This year, the fourth year of the Third 7-Year Plan, our party and people are faced with heavy but honorable tasks. Our people's revolutionary zeal to further glorify the socialist fatherland of chuche by displaying higher the revolutionary spirit of self-reliance and fortitude under the party's leadership is very high. All party members and the working people who cherish deep in their hearts loyalty to the party and the leader have been devoting their strength and wisdom to brilliantly carry out their assigned economic tasks. Today, when we are blessed with the wise and correct leadership of the party and when the firm economic foundation of the country has already been provided and the masses' revolutionary zeal has become stronger than ever before, success in socialist economic construction depends greatly on how party organizations properly carry out their party guidance in administrative and economic work.

What is important in strengthening party guidance in administrative and economic work is, above all, for all party organizations to firmly grasp the great leader Comrade Kim Il-song's teachings and the party's economic policy, their embodiment, and to thoroughly accelerate the implementation of the teachings and economic policy.

Our party's economic policy is precisely the embodiment of the great leader Comrade Kim Il-song's teachings and the party's intent. Elucidated in detail in this are the basic line of economic construction, tasks to be fulfilled in various economic sectors, and concrete methods for their implementation. The basic guarantee for accelerating socialist economic construction and for enhancing the superiority of the socialist system of our country higher lies precisely in thoroughly implementing the party' economic policy.

Party organizations should firmly grasp plans to implement the party's economic policy and, thus, should strengthen party guidance in administrative and economic work.

Party organizations and party functionaries at all levels should not only grasp and guide administrative and economic work at their respective units so that the work is carried out in conformity with the intent of the party, but should also see to it that the principle of absoluteness and unconditionality is thoroughly abided by in the implementation of the party's economic policy. In particular, party organizations should concentrate greater efforts on thoroughly implementing the great leader Comrade Kim Il-song's teachings and the dear Comrade Kim Chong-il's teachings assigned to their respective units and should strengthen their guidance in administrative and economic work.

Maintaining consistency in the struggle to implement the party's economic policy is an important task of party organizations. In carrying out the work to implement the party's economic policy party organizations and functionaries should not conduct it in haste in five minutes, but should steadily and vigorously continue until their goal is realized. In particular, they should see to it that all party members and the working people display the revolutionary spirit of self-reliance and fortitude and actively wage the struggle for production increase and for conservation.

Economic construction is a struggle for remodeling and changing nature. Therefore, there may be unexpected obstacles and barriers in the course of this struggle. These obstacles and barriers are a momentary phenomenon, and they can be easily surmounted when we display an indomitable fighting spirit and the revolutionary spirit of self-reliance and fortitude. Party organizations and party functionaries, by vigorously displaying the revolutionary spirit of self-reliance and fortitude in this year's battle to further glorify the nineties, should see to it that the economic policies set forth by the party are brilliantly implemented in all sectors and units so that the already provided self-reliant national economy of our country can demonstrate greater might.

Advancing administrative and economic work through the party method, that is to say, political method, is the important principle and demand that our party has consistently adhered to in the party guidance for administrative and economic work.

Stressing that the party guidance for administrative and economic work is essentially political guidance, the dear Comrade Kim Chong-il has taught that party functionaries should guide administrative and economic work in such a way as to mobilize party organizations and to inspire and mobilize party members and the working people.

The party is the organ of political guidance. The masters in administrative and economic work are precisely administrative and economic organs and their functionaries. Party organizations and party functionaries should conduct their guidance activities proceeding from the stand of assuming responsibility for administrative and economic work. However, their guidance method should thoroughly follow party method, political method, and it is important to strengthen the collective guidance of party committees. Party committees are the supreme guidance organs, and the basis of party committee activity is collective guidance. Only when we strengthen the collective guidance of party committees can we do away with individuals' subjective and arbitrary acts and correct and properly conduct party guidance in economic work.

Party organizations should collectively discuss the great leader Comrade Kim Il-song's teachings; the party policy, their embodiment; and new and other important problems, which arise in each period in the course of economic work, and then should discuss and decide detailed directions and methods for their implementation. It is very important to demonstrate to the maximum democracy in collective discussions. Party functionaries should see to it that all members of party committee vigorously present their creative opinions and initiative that are necessary for implementing the party's economic policy and for fulfilling assigned economic tasks. In particular, by actively accepting the opinions of party committee members who work at production sites, party functionaries should see to it that the masses' opinions are fully reflected in all problems discussed and decided at party committees.

An important requirement that arises in the party guidance to administrative and economic work is for party functionaries not only to actively look after administrative and economic functionaries so that they can boldly and daringly push ahead with their work in conformity with the direction discussed and decided at party committees, but also to encourage and assist them so that administrative directives can be implemented without fail. Party functionaries should actively back up administrative and economic functionaries so that they can vigorously push ahead with their economic work, firmly grasping it. Party functionaries should also mobilize party organizations and organize and mobilize party members and the working people so that administrative directives can be properly executed.

Another important problem that arises in guiding administrative and economic work through party method, political method, is to closely combine party work with economic work. Apart from economic work no party work can exist. The success of party work should find expression in the success of economic work. Party organizations should make party work serve economic work and guarantee the successful performance of economic work.

Responsible functionaries of party committee at all levels and functionaries at departments of party committee at all levels should properly plan and coordinate organizational and political work and, thus, should vigorously inspire party members and the working people to implement economic tasks. To do so, departments of party committee should steadily conduct party work, which is work with men, should properly conduct cooperative work among departments of party committee, and, thus, should smoothly solve one by one all problems that arise in economic work. In particular, party organizations and party functionaries should give priority to the political propaganda and economic agitation for the fulfillment of the this year's plan.

As the political functionaries of the anti-Japanese guerrillas did in the past, party functionaries should go down to production sites where party members and the working people work, should wage there active political work using new and up-to-date methods to inspire creative zeal and initiative among the masses, and, thus, should see to it that every socialist construction site seethes with the flames of creating the speed of the nineties. All party organizations and party functionaries, by conducting the party guidance to administrative and economic work in a substantial manner, should effect a new upsurge in socialist construction and, thus, should brilliantly fulfill the national economic plan of this year, the first year of the nineties.

Daily Views Intellectualization of Society

SK2909110090 Pyongyang Domestic Service in Korean 0007 GMT 23 Sep 90

[NODONG SINMUN 23 September special article: "Intellectualizing the Entire Society Is a Strategic Task To Accelerate Socialist and Communist Construction]

[Text] In his historic policy speech entitled "Let Us Further Give Play To the Superiority of Our Country," the great leader Comrade Kim Il-song clarified that intellectualizing the entire society is an important strategic task to successfully accelerate socialist and communist construction.

The great leader Comrade Kim Il-song has taught: Intellectualizing the entire society is a momentous strategic task to nurture all social members into communists with high creativity and to successfully accelerate socialist and communist construction by relying upon the strength of science and technology.

Correctly deciding strategic tasks is a very important matter in successful socialist and communist construction.

Strategic tasks—important tasks that should be consistently adhered to at every stage and in every period of the revolution and construction—are distinguished from tactical tasks designed to attain immediate goals.

Only when it correctly presents strategic tasks in the initial period of its leadership over the revolution and construction and consistently pushes ahead with the struggle to implement them, can the party of the working class lead socialist and communist construction without the slightest deviation and win a final victory in the struggle.

The respected and beloved leader Comrade Kim Il-song defined realizing the intellectualization of the entire society as an important strategic task to accelerate socialist and communist construction. This is the most scientific and just policy. The reason is that this policy most embodies the intrinsic demands of a socialist and communist society and the principle of the inevitability of its perfection.

As taught by the great leader Comrade Kim Il-song, the course of socialist and communist construction is a process of revolutionizing, making working class-oriented, and intellectualizing all social members from the aspect of remodeling men.

As society develops, the social and economic status of all workers becomes working class-oriented and their cultural and technological level is elevated and intellectualized.

Only when the entire society is intellectualized can the gap between manual labor and mental labor be removed and a communist society in which all social members can work with more ease be built.

For this reason, we should adhere to the work of intellectualizing the entire society as an important strategic task while constantly pushing ahead with the revolutionization and working class-orientation of men in order to successfully build socialism and communism.

Turning all social members into working class-oriented intellectuals and into an intellectualized working class is a basic direction of the work of remodeling men.

The reason why intellectualizing the entire society is an important strategic task, above all, lies in the fact that this work makes it possible to nurture all social members into communist men with high creativity.

Creativity is a creative strength with which one can remodel nature, society, and one's own fate. Enhancing creativity is one of the decisive factors in accelerating socialist construction.

However enthusiastic men may be, and however high their ideals and goals may be, they can neither contribute to the revolutionary struggle nor can they do something great without creativity mainly composed of scientific knowledge and physical strength.

After all, how actively the people play their role as the masters of the revolution and construction and their fate and how much they work for the party, the revolution, the fatherland, and themselves greatly depend on their creativity.

The most active and effective method for increasing men's creativity is to realize the intellectualization of the entire society.

Intellectualizing the entire society is the work of elevating the intellectual level of the workers and all other social members onto that of intellectuals, that of university graduates, by making full use of many conditions and possibilities.

For this reason, when this work is vigorously carried out, the overall cultural and intellectual level of society can be elevated even further and all people can be turned into extensively developed communist men with a rich knowledge of nature and society.

As a result, all social members can be finely prepared to be competent communist revolutionaries who can smoothly struggle to remake nature, to reform society, and pioneer society.

When all social members are taught as a result of intellectualizing the entire society, the general populace can be nurtured into the masters of the revolution and construction and the great creators of history and their boundless creative strength can be fully mobilized to accelerate socialist construction at a high speed.

Another reason why intellectualizing the entire society is an important strategic task is that this work makes it possible to vigorously push ahead with socialist construction by relying upon the strength of science and technology.

To successfully carry out the socialist and communist cause, the material goal along with the ideological goal of communism should be attained. To this end, science and technology should be developed.

The demands for the strength of science and technology grow higher as progress is made in socialist construction.

The present era is that of science and technology. Without the rapid development of science and technology, a material and technological foundation for socialism cannot be firmly built nor can the gap between mental labor and manual labor—the legacy of the old society—be removed and the complete equality of workers be realized.

This important problem of scientific and technological development raised in socialist construction is inconceivable apart from the work of elevating the cultural and intellectual level of all social members—the work of intellectualizing the entire society.

Only when the cultural and intellectual level of all social members is elevated onto that of university graduates by pushing ahead with the intellectualizing of the entire society can the social members take part in developing science and technology as masters and can a great turn be effected in introducing already attained scientific and technological achievements into production and construction and in developing new scientific and technological fields.

When the overall cultural and intellectual level of society is not high and the workers' knowledge of science and technology is not deep, it is impossible to successfully solve numerous difficult and grand technological problems in realizing the chuche-orientation, modernization, and science-orientation of the national economy and to achieve a high speed of development in production and construction.

As a broad range of popular masses actively takes part in carrying out the technological revolution and the cultural and intellectual level of all social members is elevated, the general science and technology of the country can rapidly develop and great success in the struggle to firmly build up the material and technological foundation of socialism can be achieved. This is a stark truth shown by revolutionary practice.

The intellectualization of the entire society is an important strategic task to which the party of the working class should firmly adhere in socialist and communist construction because it makes it possible to nurture all social members into communist men with high creativity and to rapidly develop the science and technology of the country.

The justness and vitality of the respected and beloved Comrade Kim Il-song's idea and theory that intellectualizing the entire society is a strategic task to accelerate socialist and communist construction have already been unreservedly confirmed through our revolutionary practice.

At the initial period of the construction of a new society, our party recognized intellectuals as among the parts constituting our basic revolutionary forces and enforced the correct intellectual policy of giving play to the creative ardor and resourcefulness of intellectuals by indoctrinating them in a revolutionary manner. Furthermore, it has vigorously staged the struggle to realize the intellectualization of the entire society along with the struggle to revolutionize it and make it working class-oriented in socialist construction.

Developing educational work is basic in intellectualizing the entire society. By embodying the chuche idea, our party has instituted an excellent educational system, in which all people as well as the new growing generation can study, and has always directed great efforts at the work of elevating the overall cultural and intellectual level of society.

Our party's establishment of the work-study educational system is of great significance in the party's wise leadership.

Establishing both the main educational system and the work-study educational system was raised as an important question in realizing the education of all people and vigorously pushing ahead with the intellectualization of the entire society under the circumstances in which we were obliged to carry out educational work and socialist construction work at the same time.

Along with the main educational system, therefore, our party established the work-study educational system in which workers in each domain of socialist construction can study while continuing production activities and their own work. Also, it has shown wise leadership toward the system so that its superiority can be unreservedly displayed.

Today our work-study educational system is composed of factory vocational schools, factory colleges, farm colleges, fishing farm colleges, correspondent courses, night educational networks, and the regular educational system for cadres and workers. Countless students are studying in these facilities.

As a result, no one in our country has gone uneducated. Everyone continues his studying throughout his life, and the overall cultural and intellectual level of society steadily grows higher.

Realities clearly confirm the correctness of our party's leadership, which laid down the policy of intellectualizing the entire society and has energetically led the struggle to implement it. They also prove that an important guarantee for nurturing all social members into genuine chuche-type revolutionaries and effecting constant upsurges in socialist construction lies in dynamically accelerating the intellectualization of the entire society along with the working class-orientation and revolutionization of the society.

Intellectualizing the entire society is an important strategic task that should be adhered to at all times in successfully building the most superior socialism—a man-centered socialism—and consummating it.

As elucidated by the respected and beloved leader Comrade Kim Il- song, when we elevate the cultural and intellectual level of all students and people by carrying out educational work well, our country will further shine as a country of intellectuals and the working class.

Cherishing deep in our hearts the national pride and confidence of living and carrying out the revolution in a country of education and learning, which the world is envious of, we should thoroughly implement the party's policy of intellectualizing the entire society, thereby giving full play to the superiority of our style of socialism.

Daily Cited on 'Revolutionary Theory' of Chuche

SK0110101790 Pyongyang KCNA in English 0958 GMT 1 Oct 90

[Text] Pyongyang October 1 (KCNA)—NODONG SINMUN Sunday carried a signed article under the title "Revolutionary Theory of Chuche Is One in Which Working People Are Placed in Centre."

The aritcle quotes dear Comrade Kim Chong-il as saying:

"The communist revolutionary theory founded by the great leader by applying the chuche idea is a revolutionary theory in which the working people are placed in the centre and strategy and tactics of revolution based on their role."

The revolutionary theory of chuche is a revolutionary theory in which the working masses are placed in the centre, a perfect revolutionary theory that gives a comprehensive exposition of the theory of national and class liberation and human emancipation and the theory of the transformation of society, nature and people.

Evolved with the working masses, the motive force of the development of history, placed in the centre the revolutionary theory of chuche most correctly indicates the essence and law of the revolutionary movement.

Revolution is, in a nutshell, a struggle of the working masses for defending their independence.

Independence is an intrinsic attribute of man who wants to live and develop independently and creatively as the master of the world and his own destiny, fettered by nothing.

The revolutionary theory of chuche profoundly expounds the law of the developing revolution, putting the working masses into the main consideration.

The revolutionary struggle develops and progresses triumphantly along with the growing independent demand and creative ability of the working masses.

The development of the revolution and its victorious progress are decided not by the matured objective factor but by whether the working masses, the driving force of the revolution, take the revolution as a vital requirement and whether the driving force of the revolution is prepared to carry it on. Only when it gives answers to this fundamental question, can the revolutionary theory display its true might.

The revolutionary theory of chuche expounds the principle of combining the leadership with the masses. It indicates that if the revolution is to be advanced and completed in conformity with the law governing the developing revolution, the position and role of working masses, the driving force of revolution, should be enhanced steadily.

It gives most correct answers to the law governing the accomplishment of the revolutionary cause of the working class, too.

The leader plays a decisive role in the revolutionary struggle for realizing the independence of the working people. The working masses become conscious and closely unite in the same idea, the idea of the leader, and in one organisation under the leadership of the leader. In this course the independent demand and creative ability of the driving force of revolution are enhanced continually.

Accomplishments of Railway Workers Praised

SK0110220790 Pyongyang KCNA in English 1501 GMT 1 Oct 90

[Text] Pyongyang October 1 (KCNA)—The railway workers of Korea are greeting the 45th founding anniversary of the Workers' Party of Korea (October 10) with an increase in transport.

The Ministry of Railways hauled 9,265,000 more tons of freight than the rated traction tonnage in the first nine months of this year.

The General Bureau of Western Railways carried 3,312,000 more tons of freight than the rated traction tonnage.

The West Pyongyang locomotive corps topped the rated traction tonnage by 1,999,000 tons by increasing the proportion of centralized transport and 100-ton waggons.

In this period 20 odd railway stations under the General Bureau hit their transport target for this year.

The railway workers under the general bureau of the eastern railways raised the operation rate of locomotives 20 percent as against the corresponding period of last year by introducing a rational methods by scrupulously planning technical control of locomotives and introducing a rational operation method.

The locomotive corps under the Kaechon and eastern railway general bureaus carried 1,970,000 and 1,855,000 extra tons respectively.

Ash Treatment Shop To Be Built at Pukchang

SK2909124190 Pyongyang Domestic Service in Korean 2100 GMT 26 Sep 90

[Excerpts] A new large permanent ash treatment shop is to be built in Pukchang Thermal Power Complex, which daily is being organized as a powerful energy base thanks to the plans of the great leader and our party. [passage omitted]

A joint rally of members of the provincial (?State Administration Council) shock brigade and construction workers was held on the spot on 26 September to thoroughly implement the teachings of the great leader, who recently has called for accelerated completion of this permanent ash treatment shop, as well as the party's plans.

The following attended the meeting: Comrade So Yunsok, member of the Political Bureau of the WPK Central Committee, responsible secretary of the South Pyongan Provincial Party Committee, and chairman of the South Pyongan Provincial People's Committee; Kim Mansong, chairman of the South Pyongan Provincial Administrative and Economic Guidance Committee; other functionaries; members of the (?State Administration Council) shock brigade; construction workers, and supporters. [passage omitted]

Soldiers Promote Tongil Street Innovations

SK2909122590 Pyongyang Domestic Service in Korean 1200 GMT 25 Sep 90

[Text] Soldiers in the same unit as Comrade Paek Pong-man are promoting new innovations daily in the construction of 500-unit dwellings in the No. 2 district of Tongil Street.

Soldiers who rushed to the construction site with a burning determination to unconditionally discharge the tasks assigned by the party within the designated period already have started shaping the skeletons of buildings A, B, and C, which each are 23-, 18-, and 15- story buildings, within a short period since they started building with boldness nurtured by our party.

Weather Reported Cause of Birds at Mt. Paektu

SK0110220790 Pyongyang KCNA in English 1510 GMT 1 Oct 90

["Sea Gulls Fly to Lake Chon of Mt. Paektu"—KCNA Headline]

[Text] Pyongyang October 1 (KCNA)—Mysterious and rare natural phenomena have often occurred on Mt. Paektu (2,750 metres above the sea level), the ancestral mountain of Korea, in recent years, drawing keen attention of people.

A couple of sea gulls came from the upper reaches of the Amnok River and perched on the shore of Lake Chon of Mt. Paektu at around 06:00 on August 24.

They are grey birds whose body weight is 1.5 times that of the ordinary sea gull.

The body of the big one of the couple is 54 centimetres long, each wing 45 centimetres, the beak 5.7 centimetres and the tail 17.5 centimetres.

Experts attribute it to the changes of weather in recent years that the grey sea gulls rare to be seen even in the sea flew to Lake Chon.

A flock of wild ducks appeared on the lake a few days after the sea gulls flew there.

Only ten years ago it was said there were only a few microbes in Lake Chon.

Then a bear swam there and a shoal of chars, earthworms, hoopoes, gray wagtails and sparrow hawks have been found by the exploration team of Mt. Paektu.

East Coast Resort Facility at Wonsan Described

SK2909222290 Pyongyang KCNA in English 1506 GMT 29 Sep 90

[Text] Pyongyang September 29 (KCNA)—Wonsan, a port city of culture situated on the east coast in the central part of Korea, is well known for its scenic Songdowon, summer resort, Myongsasipri sand beach and beautiful seaside.

Several modern streets, the railway station building and hotels have been built in recent years to add beauty to the cityscape.

High-rise apartment houses of 12-, 18-, 24- and 30-stories have sprung up in good harmony in Tongmyongsan Street.

From an excursion boat you may enjoy a birds eye view of city looking peacock with its tail spread. Twentyfour public service facilities lined the 1,100 metre-long seaside street linked to the promenade of Songdowon.

Parks and pleasure resorts have been laid out between the seashore and housing quarters so that the working people may take a good rest.

Songdowon famous for the beauty of its ever-green pine trees and white sandy beach from olden times has turned into a large holiday resort covering an area of five million square metres.

Situated there are the Songdowon Pavilion, holiday houses, the international children's camp, an open-air theatre, a dancing ground, a fun fair, a Paekhwa garden, a botanical garden, a zoo and a park, which go well with the beautiful landscape.

A wide man-made lake with graceful pavilions and bridges of peculiar shapes are found in the park overgrown with pine trees and flowers of all species.

Fascinating is the Paekhwa garden with 200 species of flower in full bloom.

The Paekhwa garden with an area of 120,000 square metres has an arboretum, a flower garden, a herbary, a garden of economic plants, a garden of fruit trees of different species and an experimental plot of model forests.

A botanical garden covering an area of 500,000 square metres and zoo with 190 kinds of animals were well built. And foreigners holiday village and tourist hotel have been built.

The construction of modern dwelling houses and a tourist hotel and public buildings is in full swing in Songdo and Kalma districts.

South Korea

President No Tae-u's Armed Forces Day Speech

SK0210033190 Seoul Television Service in Korean 0100 GMT 1 Oct 90

[Speech by President No Tae-u at 1 October Armed Forces Day ceremony at Yoido Plaza, Seoul—live]

[Text] Dear soldiers of the Armed Forces, honored guests from home and abroad, and fellow citizens:

I am celebrating the 42d anniversary of the founding of Armed Forces Day with all the people and I am sending warm greetings to the 600,000 soldiers of the Armed Forces.

The eyes of fellow soldiers welcoming today are further shining and your shouts and aspirations seem to be piercing the sky. When seeing the dignified appearance of the Armed Forces which is armed with the best up-to-date equipment and powerful fighting potential, our people will be also proud and be secure at heart.

All of your strength in safeguarding the fatherland like an iron wall is defending peace in this land.

The reason all the people are leading a happy life and enhancing prosperity amid freedom and vitality is because of our soldiers who do not allow any kind of aggression or provocation. Today, when seeing the high-spirited appearance of the Armed Forces as such, we are all filled with confidence and hope.

The country became a sheet of fire forty years ago due to the all out invasion toward the South by North Korea which underestimated our meager defense capability at that time. The sounds of war stopped as a result of a cease fire, but during the last 30 years the threat of aggression has not disappeared and confrontation and a tense situation has continued to remain on the Korean peninsula.

The most sound spirit of our people, our people's hope, is to be free from the uncertainty of war and to live peacefully. Now, due to our powerful defense capability and the strength of our country which has grown, it has become possible to obstruct any attempt from the aggressive forces in advance.

Our strength of defending peace will be able to grow along with the country's development with each passing year. This kind of capacity of ours will open a peaceful era on the Korean peninsula.

I am very well aware of the devotion and sacrifices of the soldiers of the Armed Forces who are completing the sacred mission of national defense by assuming a posture of defense, never relaxing day or night and without an bit of failure. I send deep recognition and warm encouragement for the toils taken by the soldiers of the Armed Forces. As a shield for a democratic nation, I request that all the soldiers of the Armed Forces ceaselessly serve and be loyal to the country and people.

Dear soldiers of the Armed Forces:

Currently, the world is under reform to change its order from the basis. Since last fall, the world's communist systems collapsed one after the other. Now free democracy has become a universal value of the world's people. Class revolution became an old relic of history and struggle to be free from oppression and poverty which was brought about by communist dictatorship is becoming a great trend of reform.

The dignity, freedom, and desire to achieve prosperity by the people crumbled the rigid system and the barrier which divided the world between the East and West. Today's reality in which East and West Germany were able to achieve unification as one nation shows an irreclaimable trend of history.

The cold war structure on the Korean peninsula has already started to undergo change. Our relations with the Soviet Union, China, and East European socialist countries are improving rapidly.

The fact that, following the summit talks between me and Soviet President Gorbachev, diplomatic relations were established between the ROK and the Soviet Union speeds up changes in the situation on the Korean peninsula. North Korea will not be able to resist this grand scale. North Korea, which is not in a position to expect powerful supporters, will not be able to adhere to the unrealistic line of communizing the South. We are making utmost efforts to lead North Korea to an open world; to hold dialogue, promote exchange, and cooperate with us; and embark upon the road toward reconciliation.

North Korea's closed-door policy surely has reached its limits. The relations between North and South Korea are entering an important turning point. We must make this turning point into peace and reunification.

Any period of rapid change is fraught with risks, as well as opportunities. At such a time, a firm security posture is an absolute necessity.

The cold war structure is being brought to an end, and a new order of reconciliation is being established in the world. However, Iraq invaded and immediately conquered Kuwait. The Persian Gulf situation, over which the cloud of war hovers, shows that, under circumstances in which superpowers are in a conciliatory mood, the danger of localized warfare actually may have increased.

The Middle East situation indicates the stark reality that a country that cannot defend itself cannot exist for long and that its dream of peace and happiness can be dashed overnight. One cannot secure peace just by wishing for it: One can secure peace only when one has a combination of the determination and ability to defend it.

Dear soldiers of the Armed Forces:

Modern warfare is a war jointly waged by the Army, Navy, and Air Force and is waged simultaneously in the front and rear. Scientific and technological development has changed fundamentally the weapons structure and appearance of war. Accordingly, we must establish a more efficient and effective chain of command and a more reliable and faster information and communication network, while further modernizing and improving our military hardware and logistics. Our Armed Forces are now undergoing bold reforms in all areas, including thinking and organization.

In response to this demand of the era, today, we inaugurated the Joint Chiefs of Staff. As a key organization that will lead our Armed Forces to make a new leap, the Joint Chiefs of Staff will improve autonomy in the military service and will establish an efficient combined military structure in preparation for modern warfare. Seizing this opportunity, our military service will reform itself and will democratize life in the barracks, thus maximizing defense capabilities.

The 21st century is only a decade away. Changes sweeping the world and the situation on the Korean peninsula suggest that it is becoming feasible for us to achieve peaceful reunification before the present century is over. Our Armed Forces should, therefore, look beyond the current South-North confrontation across the DMZ and begin preparations for the day of reunification.

The armed forces of a unified homeland will not only be charged with defending peace on the Korean peninsula stretching from Mt. Paektu to Mt. Halla but also will be playing a greater role for the security of Northeast Asia and the Pacific. The reason that our Armed Forces inaugurated this new system today is very significant in that our Armed Forces will devote all their strength to this second start while looking ahead to the future of a reunified fatherland.

Fellow citizens:

A battle is fought by soldiers and its success or failure depends upon the soldiers. However, war is carried out by all the people and its success or failure depends upon the people's will for security. It also depends upon the army's morale and loyalty, which is based on its combat capability, which in turn springs from the people themselves.

Our Army is an army of the people organized by your proud sons and daughters and is an army for the people. Currently, our Army is faced with a more important turning point than ever before and is united to perform the duty of national defense.

Every three years, celebrations are held like the one today to welcome the Armed Forces Day. This is to newly affirm that the people and the soldiers will do their utmost with one mind to safeguard peace on this land.

I hope that you the soldiers will be the vanguard in opening the doors to realizing peace and reunification by inheriting the proud tradition of the soldiers of our Armed Forces who have devoted their lives for this country and the people's freedom.

On this significant Armed Forces Day, I along with all the people pray for the prosperity of the soldiers of the Armed Forces. Thank you. [applause]

Government To Propose Mutual N-S Missions

SK0210081090 Seoul CHUNGANG ILBO in Korean 1 Oct 90 p 2

[Text] In the light of the recent North Korean steps to normalize its relations with Japan, the government thinks that North Korea has abandoned its anti-"two Koreas" policy. Therefore, it is planning to propose to North Korea establishment of mutual permanent North-South missions and simultaneous UN entry in the forthcoming North-South dialogue, including the second round of North-South premiers' talks in Pyongyang on 16 October.

A high-ranking government source on 29 September said that "when the Japanese side asked the North Korean side whether North Korea has altered the anti-two Koreas policy in the recent North Korea-Japan talks, in which the North Korean side proposed the establishment of diplomatic relations with Japan, the North Korean side replied that it means a change in that policy." The government source added that this has been indirectly confirmed through a diplomatic channel. He said that if this is true, it means an important change that compels the ROK to reexamine its North Korean policy as a whole.

Our government's North Korean policy to date has been to induce North Korea to admit the existence of two governments on the Korean peninsula and push ahead with North-South exchange and simultaneous UN entry.

North Reportedly Accepts Seoul's UN Plan

SK0210021690 Seoul YONHAP in English 0200 GMT 2 Oct 90

[Text] Beijing, Oct. 2 (YONHAP)—North Korea has reportedly shown its willingness to ease its long-standing opposition to simultaneous or separate admission of South and North Korea into the United Nations.

Quoting diplomatic sources at the U.N. Headquarters, China's official XINHUA News Agency reported Tuesday in its dispatch from New York that North

Korea put forward "a new proposal" concerning the U.N. membership issue in a letter presented Monday to the president of the U.N. Security Council.

XINHUA reported the letter, which it said was sent by North Korean Ambassador to U.N. Pak Kil-yon and is expected to be circulated as a Security Council document Tuesday, gave "due consideration" to the stand of the South Korean Government calling for U.N. membership even before the reunification.

The letter also said North Korea believes that the proposed North-South joint admission into the United Nations with a single seat is the "reasonable approach" to the settlement of U.N. membership. The letter also said, "however, it (North Korea) does not hold it as an absolute one," the report added. "It (North Korea) considers there may be various solutions to U.N. membership in conformity with reunification and therefore, by no means excludes the discussion of them," the letter added. North Korea, the letter went on to say, is "willing to show flexibility" in the negotiation with the South Korean side on whatever solutions to U.N. membership if they do not stand in the way of reunification.

XINHUA quoted observers in the U.N. headquarters as noting that this is the first time that North Korea has changed its position on the question of the U.N. membership of the South and North Korea.

Until today, XINHUA said, North Korea was strongly opposed to simultaneous or separate admission of the North and the South into the United Nations before the reunification of the country and believed that it would lead to perpetuating the partition of the country.

Now, the letter reportedly said, North Korea desired to enter the United Nations and proposed that both sides should first of all begin negotiation and achieve an agreement on the question of U.N. membership and submit the agreed result to the United Nations.

It also urged the U.N. member states to help promote the ongoing North-South dialogue and support North Korea's position to settle the question of U.N. Membership favorable to reunification, the dispatch said. In recent years, the South Korean government pursued simultaneous or separate admission of the two Koreas into the United Nations, believing that it would contribute to reducing tensions and facilitating the process of inter-Korean accommodation, the Chinese news agency said.

During the last U.N. General Assembly session, nearly 50 countries expressed their support for the simultaneous or separate admission of the two Koreas into the United Nations, XINHUA added. XINHUA also pointed out that U.S. President George Bush declared, in his speech at the current U.N. General Assembly session Monday, the U.S. support for the U.N. membership of South Korea and said, "We do so without prejudice to the ultimate objective of reunification of the Korean peninsula and without opposition to simultaneous membership of North Korea."

Political Parties Disagree on DPRK-Japan Ties

SK2909072590 Seoul YONHAP in English 0703 GMT 29 Sep 90

[Text] Seoul, Sept. 29 (YONHAP)—South Korea's ruling and opposition parties had far different views of the Japan-North Korea agreement to establish diplomatic relations Saturday.

President No Tae-u's Democratic Liberal Party warned that Japan might damage its friendship with South Korea in pursuing diplomatic ties with North Korea. "Relations between North Korea and Japan should be sought on the basis of South Korea-Japan amity and cannot be pursued separately from it. The Japanese Government should instantly bear the truth about the agreement regarding establishment of ties with North Korea. The Japanese Government should seek such ties after full consultations with the Seoul government," party spokesman Yi Sang-ha said. Yi said his party would not object to the establishment of diplomatic relations between North Korea and Japan but hoped it would not damage Seoul-Pyongyang friendship.

"We have to say that Japan has exposed a lack of sense of balance in accepting the North Korean argument for 'one Choson' while the North's policy toward the South and U.N. membership remains the same as before," he said.

Kim Tae-chung's Party for Peace and Democracy said it welcomed North Korea's change of attitude toward Japan as it followed the party's call for cross recognition of the two Koreas by the surrounding countries. "We hope the government will take a broad view and positively deal with the North Korea-Japan agreement on normalization of ties. The Japanese Government should closely cooperate with our government in improving relations with North Korea in light of the special ties between Seoul and Tokyo," party spokesman Kim Taesik said in a statement.

Daily Urges Caution in Japan's Approach to North

SK2909000390 Seoul THE KOREA TIMES in English 29 Sep 90 p 6

[Editorial: "Pyongyang-Tokyo Rapport]

[Text] The government has taken diplomatic issue with the Japanese government's hasty approach to North Korea in connection with the reports that the Pyongyang regime and the visiting Japanese delegation reached a drastic agreement to seek mutual diplomatic normalization.

The accord, announced in a joint communique between North Korean authorities and former Japanese deputy prime minister Shin Kanemaru in a mountain resort in the North, was more than anticipated in terms of its content and tempo. The rapport between North Korea and Japan is an epochal development in the 45-year-long chilly relations since the Second World War.

Vice Foreign Minister Yu Chong-ha called Japanese Ambassador to Seoul Kenichi Yanagi and filed a diplomatic protest against the Japanese moves toward Pyongyang and demanded an explanation on the issue, statng that Tokyo's drastic package deal with Pyongyang runs counter to the previous agreement between Seoul and Tokyo.

At issue are the proposed Japanese compensation for its 45-year colonial rule of the Korean peninsula and its apology to the Pyongyang government concerning the "unendurable sufferings and misfortunes incurred against the Korean people by Japan's colonial rule." The Seoul government's position in agreement with Tokyo is that the aforesaid actions should not take place before the establishment of formal relations between Japan and North Korea.

It is explicit government policy not to oppose the Japanese improvement of relations with the North, in line with President No Tae-u's July 7, 1988 declaration enunciating Seoul's cooperation with the North to "improve relations with countries friendly to us including the United States and Japan."

The Seoul proposition is aimed at inducing Pyongyang to become a responsible member of the international community and contribute to peace and prosperity of the family of nations. The question here is whether the Tokyo-Pyongyang rapport will be conducive to this grand premise.

The Japanese government is expected to abide by an agreement or understanding with Seoul that Tokyo-Pyongyang contacts and exchanges should keep abreast with the process of inter-Korean dialogue and close consultations with Seoul should accompany every step it takes to improve ties with the North.

The Seoul government has particular reason to oppose any premature Tokyo-Pyongyang rapprochement before the North joins the nuclear non-proliferation pact. Japan needs to expand its relations with Pyongyang in respect of the 1965 basic Korea-Japan normalization treaty stipulating that the Republic of Korea is the sole legitimate government on the Korean peninsula.

Japan may have been impelled to seek reconciliation with the North to get its two seamen released. But the true motivation is to take the initiative in quest of its practical interest, as a matter of course, taking advantage of the imminent diplomatic normalization between Seoul and Moscow and expected improved ties. The Japanese scheme has happened to fall in with Kim Il-song's intention to come out of isolation and to gain economic profits with the prospective compensation.

The North may use the Japanese card in retaliation against the Soviet Union for the latter's diplomatic rapprochement and for a catalyst for the United States and China to forge future relationships. The Japanese government, in this context, should clearly read the ulterior intention of the Pyongyang leadership.

From a positive point of view, the North Korean move could be utilized for the facilitation of the reciprocal recognition of the South and North by their respective allies—the United States and Japan vice versa the Soviet Union and China. Pyongyang has now no justification to oppose China setting up diplomatic ties with Seoul.

North Eager To Improve Ties With U.S., Japan

SK3009072190 Seoul SEOUL SINMUN in Korean 29 Sep 90 p 1

[Text] It was learned on 28 September that North Korea, while denouncing the Soviet Union's position on setting up diplomatic relations with South Korea, eagerly seeks to improve relations with Japan and the United States.

North Korea reportedly is giving forward-looking thoughts to disavow international terrorism, a precondition the United States made for improving relations with North Korea. North Korea reportedly is also demanding closed dialogue with the United States regarding the signing of the International Atomic Energy Agency's nuclear safeguards accord, all to improve relations with the U.S.

Such a drastic change in North Korea's attitude, coupled with its official proposal to former Japanese Vice Prime Minister Shin Kanemaru on improving relations with Japan in November, is noteworthy because it indicates changes in the Northeast Asia situation.

On 28 September, a high-ranking government official said: "I understand a high-ranking North Korean diplomat said relations between North Korea and the Soviet Union virtually had come to an end in the wake of Soviet Foreign Minister Shevardnadze's visit to Pyongyang and, therefore, it is inevitable to improve relations with the United States and Japan. This North Korean diplomat is quoted as saying his country can disavow international terrorism to improve relations with the United States, but the issue of signing the nuclear safeguards accord should be discussed in closed dialogue with the United States."

The official continued: "North Korea seems bent on using the signing of the nuclear safeguards accord as a trump card in negotiations with the United States for improving bilateral relations. With the United States displaying a cool reaction to this suggestion, however, rapid improvement in relations between the United States and North Korea is hard to expect."

The same source also said: "The United States makes delivery of the remains of U.S. soldiers who died during the Korean war a precondition for improving relations with North Korea and considers closed dialogue with North Korea unreasonable. The U.S. position is that

North Korea itself should decide on whether to sign the nuclear safeguards accord and, therefore, the United States does not want to discuss it with North Korea."

North, South Korea Agree on Soccer Exchange

SK2909014590 Seoul YONHAP in English 0138 GMT 29 Sep 90

[Text] Beijing, Sept. 29 (OANA-YONHAP)—South and North Korean men's and women's soccer teams will play historic goodwill matches in Pyongyang and Seoul next month, it was officially announced Saturday. The South and North Korean chief delegates to the inter-Korean sports talks jointly announced at the main press center of the Beijing Asian Games that the first two matches will be played at Moranbong Sports Stadium in Pyongyang on Oct. 11 and the second two at Chamshil Olympic Stadium in Seoul on Oct. 23.

It is the first time the halves of Korea, divided at the end of World War II in 1945, have agreed to hold a national athletic event since 1946, when soccer teams from Seoul and Pyongyang played goodwill games.

The chief delegates, Chang Chung-sik for the South and Kim Hyong-chin for the North, said the South Korea men's and women's national soccer teams will fly to Pyongyang on Oct. 7 directly from Beijing after the Asiad and return through the truce village of Panmunjom in the Korean Demilitarized Zone dividing the peninsula. The North Korean teams will cross the border village in the buffer zone to reach Seoul, they said. The teams will be accompanied by journalists, but the number will be decided later, they said.

The southern squad will be led by Sports Minister Chong Tong-song and his North Korean counterpart, Kim Yu-sun, will lead the northern side to Seoul.

It was reported last week in Seoul that the two Koreas would play goodwill matches in Pyongyang on Oct. 14, but the North denied the reports.

The North Korean Embassy in Beijing will issue visas to the South Korean players, who will fly to Pyongyang on a North Korean airliner, said Chang and Kim, who reached the agreement in a Beijing Hotel Friday.

The two also agreed that the National Olympic Committees of each side will guarantee the safety of the visitors and discuss further details of the historic sports event.

Further on N-S Soccer Exchange

SK2809125090 Seoul YONHAP in English 1218 GMT 28 Sep 90

[Excerpt] Beijing, Sept. 28 (YONHAP) [passage omitted] The Seoul-Pyongyang soccer exchange has been prepared apart from South and North Korean sports ministers's talks held here on Monday, according to the officials.

The South Korean officials, speaking on condition of anonymity, said Pak Chol-on, former first minister of state for political affairs of South Korea, and Yi Chong-ok, North Korean vice president, have concluded this matter when they reportedly met secretly in Beijing and that working-level negotiations are underway between sports officials of South and North Korea.

Media in Seoul first reported last week that the two Koreas would hold goodwill soccer games in Pyongyang on Oct. 14, but the news reports was immediately denied by the North Korean side at that time.

Pak left for Dalian Wednesday and Yi returned to Pyongyang Tuesday, winding up three rounds of talks.

The officials said Pak, Yi and a high-ranking Chinese official met before Pak and Yi left Beijing and that the three agreed to cooperate and exchange inter-Korea soccer games.

Another sign of progress was noticed on Thursday when Kim U-chong, chairman of South Korea amateur football association, said there will be good news in two or three days.

Olympic committees of South and North Korea apparently have begun to prepare for the soccer events in details.

South Korean Olympic committee members have been frequently negotiating with Kim Yu-sun, chairman of the North Korean Olympic Committee, and other Pyongyang officials while Kim U-chong is arranging visas for South Korean soccer players, the officials said.

North Korean Embassy in Beijing will issue visas for South Korean players and a Hong Kong travel agency will take care of flight to Pyongyang, they said.

Kim is expected to leave for Seoul Sunday to conclude preparations at home and will return to Beijing on Oct. 2.

The offer of Seoul-Pyongyang soccer matches was first made in July when South Korean Sports Vice Minister Kim Yong-kyun met with his North Korean counterpart Kang Tuk-chun.

Seoul-Pyongyang soccer matches were held on 16 occasions during the Japanese colonial rule of Korea early this century, and the last was held in 1935.

Accord Hit Snag

SK2909080790 Seoul YONHAP in English 0630 GMT 29 Sep 90

[Text] Beijing, Sept. 29 (YONHAP)—South and North Korea agreed in principle to play goodwill matches on Oct. 23, but full agreement was delayed for five days by a dispute over whether to include the women's teams, the South Korean men's team manager said on Saturday.

Yi Hak-nae, a delegate to the inter-Korean sports talks, said Sports Minister Chong Tong-song and his North

Korean counterpart Kim Yu-sun, reached the agreement on playing soccer and resuming sports talks when they met at a Beijing hotel.

The ministers assigned delegates to discuss playing the games in Pyongyang and Seoul, and after three to four rounds of talks there was an agreement, Yi said.

The biggest stumbling block in the discussions was whether to include women's teams, he said. The South was opposed as several of its players were injured in the Beijing Games.

South and North Korean officials are talking about making it a regular event, Yi said.

He said it was the first time that the two halves of Korea had agreed on sports (the first attempt to form a joint team was for the 1964 Tokyo Olympics) and predicted that the soccer games would give impetus to the formation of a single team for the 1992 Olympic Games in Barcelona.

Chang Chung-sik, leader of the South Korean team to the Asian Games, called the inter-Korean agreement to play soccer matches in Pyongyang and Seoul "historic" and said he would talk more about it with his North Korean counterpart, Kim Hyung-chin. "It is historic that South and North Korea have agreed to play the soccer matches. I met North Korean team leader Kim Hyong-chin on several occasions before today's announcement. Last night we spent three or four hours together, talking about many things," Chang said.

He said he and Kim had become brothers who can confide everything to each other. Kim said he was glad the two sides agreed to hold the matches.

"The agreement is the fruit of both sides' endeavor for reunification. We'll have to talk about detailed procedures for the southern soccer teams' entry into Pyongyang, but I think they can come through (the truce village of) Panmunjom like delegates to North-South talks. I don't think visas will be needed," he said.

The South and North Korean chief delegates to the inter-Korean sports talks jointly announced at the main press center that the first two matches will be played at Moranbong Sports Stadium in Pyongyang on Oct. 11 and the second two at Chamshil Olympic Stadium in Seoul on Oct. 23.

Journalists Argue Over 'Leak'

SK2909075790 Seoul YONHAP in English 0551 GMT 29 Sep 90

[Text] Beijing, Sept. 29 (YONHAP)—A minor war of words broke out between South and North Korea over an alleged leak to the press during a joint North-South Korean news conference announcing plans for friendly soccer matches Saturday morning in Beijing.

The uproar, which lasted for several minutes, was started by North Korean journalist Yi Kil-song of NODONG SINMUN. He asked why the southern chief delegate broke an inter-Korean agreement not to release the results of the talks before an official announcement. "South Korea's YONHAP NEWS AGENCY reported the results of the meeting yesterday. How could results kept in secrecy be released in advance?" Asked Yi after the announcement to the nearly 150 journalists covering the Beijing Asiad. "I have never met any southern journalists since the agreement was made and the press conference itself was announced only an hour ago at 8 o'clock this morning, so it is quite surprising to me and probably the journalist might have made the report on his own guessings," Chang said.

In Friday's secret meeting, Chang and Kim made a secret agreement. At the start of the talks, Chang said, they were "very friendly" as they knew each other well from several inter-Korean sports talks, which failed to field a single Korean team in the Asiad.

Yi was dissatisfied with Chang's answer and kept pressing him, saying he could not understand how the report was exactly the same as the announcement and charging that it violated the South-North Korean agreement that Korean journalists from both halves keep pace during the Asiad. His remark brought complaints from other journalists, who demanded to know what was being said. The news conference was conducted in Korean, Chinese and English.

North Korean chief delegate Kim Hyong-chin, sitting beside Chang, came to the assistance of the North Korean journalist and pointed out two "mistakes" by YONHAP. "It was wrong for YONHAP NEWS AGENCY to quote North-South Korean Government officials as sources, for the agreement was made on the level of Korean sports people not on the level of government officials," Kim said. He said it was also wrong to report the secret agreement in advance, tarnishing the glory of olympic officials.

Pak Pyong-sok, a South Korean journalist from the CHUNGANG DAILY NEWS, then joined the fray. "You find fault with YONHAP because you are poorly informed of the South Korean press. In the South, the government can neither control the press nor deter them from doing their interviewing activities," Pak said.

DPRK Student Defectors Hold News Conference

SK2909013590 Seoul YONHAP in English 0125 GMT 29 Sep 90

[Text] Seoul, Sept. 29 (YONHAP)—North Korea planned in August to recall all students at Soviet universities to cut off contact with the democratic movement in the East Bloc and in reaction to improving relations between Seoul and Moscow, a North Korean student defector said Friday.

North Korean students in the Soviet Union are well informed on economic and social developments in South Korea through newspaper and magazine articles, and over 90 percent of them oppose the rule of President Kim Il-song and his heir-apparent, eldest son Kim Chong-il, they said. Chong Hyon, a 25-year-old metallurgy major at Donetsk Engineering University in the Ukraine, told in a news conference he had heard from North Korean diplomats in mid-July that Pyongyang would be recalling all students. Chong defected with Kim Chi-il, 26, an applied mathematics major from Kharkov University, on Aug. 4. They were accompanied at the news conference by Han Son-ho, 22, a student at Moscow University who defected on July 5. It was the first public appearance of the three, whose defection was withheld until recently for fear of negative effects on the inter-Korean prime ministers' talks earlier this month.

All students and researchers were to return to the North during August, Chong said. Others undergoing training were to return by the end of October.

They said the decision was likely made to minimize the influence on North Korea of the democratic reforms that swept Eastern Europe. Pyongyang was also sensitive to approaching Seoul-Moscow diplomatic ties, they said.

The students were ordered to keep their passports at the embassy after defections began to South Korea, the students said.

All of the young defectors are from Pyongyang and their families are still in North Korea. Han's father works for the Ministry of Public Security, which oversees construction of Kim Il-song's country houses and important public facilities. Kim Chi-il's father is reported to be a power plant construction planner who also studied in the East bloc.

Five students have defected while studying in the Soviet Union. Two others came to Seoul in April.

Excerpts of N. Korean Student's Journal

SK3009070090 Seoul CHOSON ILBO in Korean 21 Sep 90 p 15

[Unsigned article: "Journal of a North Korean Student Who Studied in Moscow"]

[Text] [Editor's note] As we have heard, the quality of life in North Korea is very low. The SPORTS CHOSON recently acquired the private notes of a North Korean college student and is publishing them in serial form. The document depicts in vivid terms the misery endured by common citizens in day-to-day life in North Korea. The journal reveals the views of a North Korean intellectual on perestroyka, the Tiananmen incident, and the execution of Ceaucescu. The document was recently smuggled out of North Korea via the Soviet Union to be published in South Korea at the desire of its author, who had been a foreign student in Moscow. We publish here only an abridged version of the document, beginning with the author's observations during a visit to his uncle's home in northern North Korea. [end note]

In honor of the visit of a flesh-and-blood relative after so long, my aunt served me a bowl brim-full of white rice. I couldn't help notice that my uncle's bowl was only half full, and not with white rice but with coarse yellow corn instead. My aunt and cousins ate yellow corn as well. The breakfast table was set only with boiled sardines on white radishes, soy sauce, bean paste, and a thin soup, distinguishable as soup only because of the few drops of oil in it.

Almost everything in my uncle's home was falling apart. The oiled paper on the floor had been yellow, but very little of it remained. It now covered less than half the floor, and the naked cement showed through where the paper was missing. The lights and ceiling were black with wall-to-wall fly specks. The gate in the wall around the house hadn't been painted in years. The naked planks in the gate showed black, stark, and decaying. One window in the home was just plain missing. Uncle had covered the hole with plastic sheeting.

I ran down the laundry soap to wash my clothes, only to find the soap dish filled with a foul-smelling, black gob of something masquerading as laundry soap. They called it sardine soap. My uncle explained that you made it by gathering sardine heads, mixing caustic soda into them, and then boiling the brew for hours. The result would solidify and make a serviceable approximation of soap.

As I listened to his explanation, the soap's smell fresh in my nostrils, I remembered residents of an apartment house on Munsu Street in Pyongyang who used to put a pot on a fire outside the building and force air under it for hours on end. Eventually the mixture in the pot boiled down to a thick, black residue. As my mind turned over the scene I realized they must have been making sardine soap.

Buy and Store Corn in the Fall

The government food ration never meets your needs. Every family, therefore, has to buy additional food to get by. One family we knew had five members, including two elderly people who fell under social security. Citizens who cannot work come under social security where they qualify for only a reduced ration. The old people had to survive on a ration of 100 kilograms of corn per year. You have to buy all the corn you need for a year at harvest time. At other seasons the price soars to levels nobody can afford. Corn costs seven won per kilogram at its cheapest during the harvest season, and people will do anything to beg, borrow, or steal enough money to buy and store all the corn they need while it's cheap. After the long Korean winter, food is scarce and very expensive.

White rice is expensive. Fourteen won per kilogram. Anyone who can afford to eat white rice is a rich man. The official ration is always insufficient. You can't help but be hungry even on the full ration of 700 grams of grain per day, but you never get the full ration. Nobody gets more than 450 grams. Those who have to live on the ration can have one meal a day of rice, but if they want to have something to eat during the other two meals they have to boil their grain to make gruel.

Officially, white rice composes 20 percent of the government-supplied food ration, but as a practical matter it never exceeds 10 percent. The rest is corn. Families with a baby have to use all the rice ration to be sure there is enough of the thin rice gruel they make for the child to provide sufficient nourishment.

Families who are able to feed their children fried corn cakes are actually doing all right. If they can do that, it means they have enough oil to fry in. The same amount of oil needed to fry a single corn cake can be put into enough soup for the entire family to eat, so families that can be so profligate as to fry with oil are lucky indeed.

It is almost impossible to buy saccharine. Sugar is out of the question; it has been years since I have tasted sugar. Although the saccharine was originally for commercial chemical use, we use it to make bread and songpyon [a half-moon shaped rice cake flavored with beans and pine needles] and stuff it with sweet bean paste. We also put saccharine in the brine in which we soak our kimchi. We use saccharine in nearly all our food, in fact, and a frozen confection with saccharine is just about the ultimate in cuisine for us.

People keep saying, "Really, none of us were worried about getting enough to eat up till 1974, right?" I remember going to a little store to buy some meat with five chon in those days and actually getting some, and really they even had sugar and finger cookies. When I was young I used to grab mom's dress and go to that store a lot.

But the store vanished and in its place appeared a Comrade Kim Il-song Revolutionary History Study Room. It had white tile on the outside, that little store, and they had different kinds of candy, and cooking oil, soy sauce, bean paste, and attractive display tables. I think that if that little store had not vanished that we children could have had a little candy to eat.

Meat is very, very expensive. It costs 30 won per kilogram. A worker doesn't make more than 45 won per month. Should we have a little meat with our dinner tonight and then just not eat tomorrow? Somebody told me that a friend told him that if he ate the meat that cost 30 won per kilogram that it would kill him. He bought some and ate it just to see if he would really die. He didn't. I can't forget how he laughed a kind of proud and rueful laugh when he told me about it.

Only Pyongyang Citizens Get Watermelon

One time a fellow North Korean who had come to Moscow with a visiting group of tourists dropped into a Russian food market. "This looks like a communist market!" he exclaimed. "Any Korean [Choson] citizen who comes in here would say this is a communist market." [a communist market is supposedly better stocked than a socialist market]. Communism's ideal society was: "Work according to one's ability; eat in accord with one's needs." But now even that ideal has collapsed. The socialist system is crumbling. When socialism is gone, whither will come the communist society that was to spring from it? Russia was once socialist, though not now, and we are still socialist. Why then is the difference between us so vast?

If we could just get all the rice we needed, that would remove at least one wrinkle from the faces of the mothers in Korea. When we go to the supply point to get our food ration, the officials there tell us they are short on rice. So they give us only a partial ration of rice this month, and the next, and the next, and the next. There are pools of tears at the supply points, and they never dry up. Korean mothers all but starve themselves to death so they can give their own share of the ration to their children, and even then the children are still hungry after a meal, and Korea's mothers cry as they watch their children starve.

We try and try to explain to the children what a watermelon is, and a tomato, and a tangerine, but they don't grasp it. How can they understand things they've never seen? I heard that the people in Pyongyang get to eat watermelon on festival days, which I'm sure makes them that much more civilized than the people in my hometown.

The socialist society we know imposes the law impartially and equally on all, but what is this thing called human rights? An incident: One evening I was walking with my girlfriend in the park when a public safety officer suddenly and without cause illuminated us with his flashlight. An incident: I tried to visit my father's grave on Chusok [Harvest Moon Festival] without a travel permit, but a public safety officer hauled me by the scruff of the neck to an enforcement office, where they said I had to be a thief and humiliated me as only the truly ignorant can do. An incident: A traffic safety officer said I had crossed the respected general's street improperly. (The center portion of streets in big cities like Pyongyang is reserved for Kim Il-song's exclusive use.) The officer said he would have me banished from the city, or I could pay a 100 won fine, or if I couldn't afford that much, then my wristwatch would do, or that fine briefcase I was carrying. An incident: We had been told not to wear nylon head scarves, but it was a chilly spring day, and I put on a scarf and went outside without thinking. A female wearing an arm band marking her as a member of the neighbor security detachment approached me without a word, tore the scarf from my head, and flung it to the ground. I wonder if these incidents are meant to protect human rights?

Last year we had to get up early every morning to perform social labor, as they call it. What we did was sweep and clean the city to prepare for the World Festival of Youth and Students. During the festival, we were not allowed to come out of our houses. If we recklessly left our houses and emerged onto the streets while actual foreign guests were visiting, we were subject to a major rebuke. But one day a few days into the festival the authorities must have decided that it would not do if the festival hosts were invisible, so they reversed themselves and told us to walk around the streets.

They told us to wear only our finest clothing, but nobody had anything really nice to wear. People who lived along the major thoroughfares really enjoyed a windfall. The government provided them with Western-style clothing and even television sets and furniture for their rooms.

My Wife and I Steal Some Coal

There are 30 houses in my village, of which only three have television sets. The graffiti term "television cheapskate" was often scrawled on the walls of houses where there was no television, even if that household found it difficult to visit other homes to watch television. A new television set costs 5000 to 6000 won; a used one costs 4000 won; and a very old one costs 2000 to 2500 won. If a worker remains at the same job for 30 years, he receives a discount coupon that allows him to purchase a television set for 600 or 700 won.

I was always most embarrassed to visit our neighbor to watch television. His set had almost no controls. A row of decorative holes testified to where the controls once had been. Still, the set cost the neighbor 2500 won. I was watching the set one night, and the news said that farmers in South Korea were demonstrating against the policy of importing American beef. If they were opposing imports of beef, that meant that South Korea already had a lot of beef. Someone said, "Hell, if they don't want the beef, send it up to us in North Korea." We all laughed wildly.

My wife and I got up at dawn this morning, tied gunny sacks to our backs, and set off toward a coal-storage area I'd noticed during the daylight. We and another couple intimidated the old man who guarded the coal, which was for use in a factory boiler, and we filled our bags with coal and managed to get safely home. We felt pretty giddy despite our crime because we knew that for the next ten days or so we wouldn't have to send the children off to school hungry. My wife also scrounged branches, trash, broken desk parts, anything that would burn, from the local school yards. I'd been carrying a coal coupon in my pocket for months, but there was no knowing when coal would be available, whether you had a coupon or not.

There was a period a few years ago when the party allowed everybody to enjoy disco music. Tape players were turned up full blast and people danced wherever they wanted. Then they suddenly said that disco was destroying European culture, and there was no reason for us to learn a dying dance. They inspected houses that had tape players, confiscating all cassette tapes containing disco tunes. Several days after the announcement on the ban on disco, a number of college students danced to disco music on a Sunday at a university boarding house. We heard that virtually all of them were expelled from university for this crime. At that time a banned Russian disco tune, "A Million Rose Buds," was the most popular song among our students and young people. Extraordinarily enough, a Pyongyang performance by the Russian female star who sang "A Million Rose Buds," Alla Vugachova [name as published], had been shown on Korean Central Television just before this incident.

Vugachova performed for almost three hours, and when she started to sing "A Million Rose Buds" the audience went crazy, whistling and clapping.

Secret Invitation of a Russian Star

The Russian female star had been invited to North Korea unofficially, without the knowledge of the Soviet Embassy in Pyongyang. Accompanied by 50 female performers, she arrived on a Korean Civilian Airlines flight. Her troupe was composed of celebrated performers. The day they arrived at Sunan Airport, a member of the Soviet Embassy happened to be at the airport on other business and saw Vugachova and her troupe arrive. The Soviet Embassy sent a letter of protest to our Foreign Ministry, which responded by denying the whole thing. Not to be put off, the Soviets responded with another protest. They said that unless Vugachova gave a performance at the Soviet Embassy in Pyongyang they would announce to the world that North Korea had invited the star unofficially.

According to a secret investigation performed by the Soviet Embassy, Vugachova performed topless at the Peony Pavilion, a restaurant in the Labor Party's Central Committee building. Her troupe of 50 women also performed topless, successfully executing their mission of entertaining the audience. Vugachova did not, in fact, perform at the Soviet Embassy, but the Russians were able to catch her special on Pyongyang television a few days later.

At about 8:00 p.m. on 6 June 1989, I passed the Chinese Embassy in Pyongyang and saw about 200 male and female Chinese surging about inside the embassy's compound. The demonstrators were wearing bands across their chests on which they had inscribed slogans, and they were chanting other slogans as well, although I couldn't make them out. Koreans dressed in suits had formed deep lines around the embassy and blocked traffic from passing on an adjacent road. The next day I met a Chinese friend who attended the same university I did, and he told me about the tragic events at Tiananmen Square on 4 June. The men and women who had demonstrated at the Chinese Embassy were Chinese foreign students studying in North Korea. These students had heard about the contemptible barbarity committed at Tiananmen Square on the "Voice of America" and had surged into the Chinese Embassy grounds and demanded to meet with the Chinese ambassador.

The 27 December 1989 issue of NODONG SINMUN carried the news that Romania's Ceaucescu and his wife had been executed. The same issue quoted a statement by the spokesman of our Foreign Ministry in which we recognized the new government in Romania. We had heard nothing but high praise for the collected works of

President and Mrs. Ceaucescu as recently as just a few days before the announcement of their execution. NODONG SINMUN carried laudatory articles about them right up to the last minute.

During the Pyongyang festival, Chonnminyon's [National Democratic Alliance of Korea] Miss Yim Su-kyong taught us, "Our Hope Is Unification." I couldn't seem to get the song out of my head for days. I had thought that the people in South Korea spoke only English, and that I would therefore not be able to understand them. I was staggered to find that I could actually understand Miss Yim Su-kyong. Indeed, I found her speech pleasant, and very attractive indeed. (Endall) 21 Sep bg/papadimitriou/bj 30/0835z sep

Seoul, Moscow To Open Embassies in Oct 1990

SK0210053090 Seoul YONHAP in English 0505 GMT 2 Oct 90

[Text] Seoul, Oct. 2 (YONHAP)—South Korea and the Soviet Union, which signed on Sunday a joint communique to establish formal ties at the ambassadorial level, are to open embassies in each other's capitals this month, local newspapers reported Tuesday.

The papers also reported that President No Tae-u may visit Moscow as early as November or, early December at the latest, while Soviet President Mikhail Gorbachev come to Seoul March or April next year, quoting a high-level informed source in New York as saying. "As two countries agreed to open their embassies 'as soon as possible,' there is no reason to delay it. They will open their embassies in Seoul and Moscow this month after due procedures," the source was quoted as saying.

The source said the two nations would promote their present consular departments in each other's capitals to embassies, according to vernacular daily CHOSUN ILBO.

Foreign Minister Choe Ho-chung and his Soviet counterpart Eduard Shevardnadze declared on Sunday the establishment of ambassadorial-level diplomatic relations in a joint communique they issued at the end of their talks at the U.N. headquarters, ending four decades of distrust between the two nations.

In the first formal meeting between the foreign ministers of the previously hostile countries, they agreed "in principle" to arrange the exchange of visits by their heads of state in the "near future." The two countries also decided to exchange diplomatic missions as soon as possible. Another daily HANGUK ILBO reported that the government has already started working-level talks with the Soviet Union to realize President No's visit to Moscow in November at the fastest, or early December at the latest. The actual timetable and agendas of the summit meeting between No-Gorbachev will be mapped out in their second foreign ministers' talks when Choe visits Moscow early November before No's visit to the Soviet Union, according to the paper.

As to the agendas during the summit, the government is considering to include the matter of the Soviet's expression of regrets about the Korean War (1950-53) and the missile bombing of Korean passenger plane in September 1983, the paper reported, quoting a high-level government official as saying.

Korean Air flight 007 was shot down over the Soviet Island of Sakhalin by Soviet fighters, killing all 269 passengers including the crew. "Considering the fact that the Soviet Union is directly related with the Korean war and the shooting down of the Korean passenger plane, our position is that the Soviet Union should express their regrets in any ways," the official was quoted as saying.

He said the Soviet officials have shown positive response to our position, saying it is desirable for promoting true friendship between the two nations, according to the paper.

The paper also reported that Kong No-myong, head of the Korean consular department in Moscow, has been tentatively designated the first Korean ambassador in Moscow.

Remarks on ROK-USSR Diplomatic Union

SK0210012190 Seoul THE KOREA TIMES in English 2 Oct 90 p 6

[Editorial: "Effective Full ROK-Soviet Ties"]

[Text] Historic full diplomatic ties between the Republic of Korea and the Soviet Union have been achieved earlier than previously expected, with the signing and announcement of a joint communique on Sunday, Sept. 30 in New York jointly by the foreign ministers of the two governments. Each nation is to set up its embassy headed by an ambassador in each other country's capital as early as possible.

Thus the diplomatic relations between the two countries have been restored 85 years after the relationship between Korea's Yi Dynasty and Czarist Russia was broken off in 1905.

The realization of Seoul-Moscow diplomatic ties is expected to have an important impact on the Korean peninsula and also the forging of a new order in Northeast Asia. The historic agreement between the socialist superpower and the tiny U.S. ally, nations that were on opposite sides in the brutal Korean War triggered by North Korea, came two days after Japan and North Korea said in a surprise announcement that they wanted to establish diplomatic ties as soon as possible.

News reports had it that the knottiest issue during the working-level negotiations between Seoul and Moscow officials was the date of effectuating the full diplomatic relations as the Soviet Union first remained reluctant to accept the Seoul bid to prompt the effectuation on the grounds that it would take time to complete all preparatory works needed for establishing its embassy in Seoul.

However, what prompted Soviet Foreign Minister Eduard Shevardnadze to accept the Seoul proposal during a one-hour conference with his Korean counterpart Choe Ho-chung at the United Nations may have been the surprise announcement that Japan and North Korea had agreed, though unofficially, to seek early diplomatic normalization, an unexpected development apparently in disfavor of the Soviet Union. The full diplomatic normalization between Seoul and Moscow also came less than 10 months after they agreed to exchange respective consular departments, the first government-level official ties, on Dec. 8 last year.

However, noteworthy are Shevardnadze's remarks in announcing the joint statement that the new relations with Seoul would not alter Soviet ties with Pyongyang, which he said would continue to develop on the basis of good neighborliness and friendship, apparently being conscious of North Korea's displeasure over the Seoul-Moscow diplomatic normalization.

As part of the new world order being established with the end of the cold war especially between the United States and the Soviet Union, the Seoul-Moscow ties are raising hopes that efforts by the two Koreas to improve their relations will father pace. The adoption of a joint communique is said to be an international practice employe to politically determine rapprochement between formerly less friendly nations.

Foreign Ministers Choe and Shevardnadze also agreed, in connection with the rapprochement, that there should be an exchange of official visits by President No Tae-u and his Soviet counterpart Mikhail Gorbachev at a mutually convenient time. Though no details of their visits were given, reports have had it that No will visit Moscow late this year while Gorbachev will make a return visit here in March next year.

Also notable in the Choe-Shevardnadze talks was the Seoul call on the Soviet Union to persuade North Korea to apply for U.N. membership simultaneously with South Korea. However, the Soviet minister reportedly expressed his hope that Seoul and Pyongyang will reach accord on the U.N. membership question themselves. Shevardnadze was also quoted as having said that the Soviet Perestroika policy and its diplomatic ties with South Korea would help ease tension on the Korean peninsula and spur inter-Korea dialogue toward the eventual reunification of the divided country.

The Seoul-Moscow ties will hopefully prompt China and other hardline socialist nations to seek not only economic but also diplomatic relations with our country and follow the irresistible global trend in the wake of the end of the East West cold war.

Interview With CHINA DAILY Chief Editor

SK3009121090 Seoul TONG-A ILBO in Korean 22 Sep 90 p 5

[Report on interview with CHINA DAILY Chief Editor Chen Li by correspondent Kim Kwang-won: "Time Is Necessary for Governmental Relations Between South Korea and China]

[Text] The CHINA DAILY is China's sole national newspaper published in English. Speaking to the issue of Seoul-Beijing relations, the CHINA DAILY's chief editor, Chen Li, age 61, observed that, "Although trade offices will soon be established, relations at the governmental level are not something that we can rush into." Chen made this remark in an exclusive 21 September interview with a special team of reporters sent to Beijing by the TONG-A ILBO to cover the Asian Games. In regard to improving relations between Seoul and Pyongyang, Chen also stressed that, "The relationship between the involved parties themselves must first improve before help can be provided from the side."

Chen says he has been very busy since 20 September when he began publishing the tabloid English-languange "ASIAD DAILY" specifically to cover the Asian Games. Chen also noted that he had spent three weeks in Seoul during 1988's Olympic games and was strongly impressed by the progress made by our country.

Kim: We would first like to congratulate you on the birth of the ASIAD DAILY to provide English coverage of the games. Why is it that the Chinese officials seem to be going all out for the Asiad this time?

Chen: "As you are well aware, China has faced domestic and foreign difficulties ever since the Tiananmen incident. The fact is that even now, differing views prevail internally among the Chinese people in regard to the Tiananmen incident. At this moment, then, it is very important that we try to use the Asian Games to put the minds of the Chinese people at ease and to unite them. Of course, I see the primary purpose of the Asiad to be to strengthen peace and friendship among the peoples of Asia."

Kim: We have even heard the games characterized as a "festival" between Chinese authorities and the nations participating in the games.

Chen: "You're suggesting that the games are being used for political purposes. I think that it is not good for Western journalists to perpetuate fallacies about the socialist countries in their reporting. The government made mistakes during the Tiananmen incident, of course, and the students were guilty of their share of excesses as well. The government erred in failing to prevent the incident before it got out of hand, and the students erred in pursuing unilateral demands. In any case, the Asian Games provide us with a very important opportunity to overcome this domestic difficulty. I think all we Chinese share the same notion. We see great meaning in the Asian Games both for the success of the policy of openness and reform we started a decade ago and also for the future of China, her neighboring states, and indeed for all of Asia. I can't understand any allegation that the games are being used for political purposes."

Kim: Did you suffer any difficulties at the time of the Tiananmen incident?

Chen: "It got so bad we found it virtually impossible to cover the news. Government authorities were shying away from making statements, and when we tried to use taxis to get to the sites of newsworthy events, we found that the taxis refused to budge. Then too, the students in Tiananmen Square provided interviews and information only to foreign reporters, and in fact regularly gave the boot to domestic journalists. Although I understand the students' dissatisfaction, the situation at the time was one of immense confusion. The CHINA DAILY reduced its pages to four from eight, and we experienced real agony in getting the paper to and through the presses."

Kim: One of the major aspects of Beijing's Asian Games is the opportunity it affords to improve relations between China and South Korea.

Chen: "Relations between Beijing and Seoul have progressed steadily over time, and I think they will continue to improve in the future as well. To the eyes of Koreans, who come from a capitalist country, this development may appear sluggish, but in my view I can go so far as to say that the progress appears to be very rapid indeed. China's foreign policy consistently has been to consult with neighboring countries and to stress the importance of balance. Of course, I think each of us will establish trade offices in the capital city of the other very shortly. Relations at the governmental level, however, will require a little more time and effort, and the important thing is the progress that we have already made. Relations at the governmental level are not something that we can rush into."

Kim: But aren't Seoul-Moscow relations changing very rapidly indeed?

Chen: "It is erroneous to view Moscow and Beijing through the same glass. The Soviet Union has no great need to be conscious of its neighboring states, and that has always been true. They push hard for something if they believe that something will profit them. The Soviet Union has adopted that approach in its relations with China as well. China, however, is just not that way. As I mentioned earlier, China lays great importance on the degree of balance among and on relations with its neighboring countries and with Third World states as well. Relations between Korea and China have developed at an amazingly rapid rate despite these basic principles of Chinese foreign policy. China is often described as a superpower, and of course that is true enough. But the Soviet Union is a super superpower. I'd like to stress, too, that China regards gradualism as a virtue and ascribes great importance to balance."

Kim: How do you view the relationship between Pyongyang and Seoul?

Chen: "I'd like to say first that I am not deeply informed on the matter of relations between North and South Korea. I think the most important elements in the North-South relationship are reconciliation and increased contacts between the two parties. China's role, of course, is also crucial. But when we try to intervene when strife prevails in the relationship between North and South, our good intentions can very easily backfire on us. Thus, the most effective approach is for China to help from the side when we see mutual efforts by North and South to increase contacts with each other. In that regard, I hope that the Asian Games here in Beijing will prove fruitful to both North and South Korea."

Kim: Returning to a Chinese issue. There is much concern about who will succeed Deng Xiaoping.

Chen: "Fact is I'm worried about that myself. There is plenty of room to be worried, of course. I think that great leaders like Deng are especially important to the next generation. If Deng's successor is excessively ambitious, then China's path may change. But in view of the reforms instituted to date, I don't think we have to worry on that score. I believe China is making a little progress at establishing a social balance among the state, the workplace, and the individual."

Agreement With PRC on Air Routes 'Close'

SK2909053690 Seoul YONHAP in English 0450 GMT 29 Sep 90

[Text] Seoul, Sept. 29 (YONHAP)—Korean Air [KAL] and ASIANA Airlines are close to agreement with the Civil Aviation Administration of China (CAAC) on opening air routes between Seoul and the Chinese cities of Beijing and Tianjin, aviation sources said Saturday.

"The fundamental agreement to open an air route is made. Working issues such as the timing for the air service and technical cooperation arising from the establishment of a new air route are to be decided through consultation," the sources said. "Under the agreement, KAL will begin with a service between Seoul and Beijing while ASIANA flies between Seoul and Tianjin, near Beijing. The two Korean airlines will run chartered flights three or four times a week, following KAL's special service for the Asian Games that ends on Oct. 7," they said.

KAL has laid on chartered flights between Seoul and Beijing for athletes and spectators. "CAAC plans to launch a service connecting the two capitals. It is also discussing the issue of Chinese aircraft flying over Seoul to shorten the route between Beijing and Tokyo with the International Civil Aviation Organization (ICAO), South and North Korea, and Japan," the sources said.

KAL will use DC-10s and ASIANA B-737-400s, they said.

KAL and ASIANA are fiercely competing for the new air service, judging it will be as lucrative as those to other Southeast Asian destinations.

Defense Minister Receives Omani Deputy Premier

JN2909163190 Manama WAKH in English 1555 GMT 29 Sep 90

[Text] Seoul, Sept 29 (GNA)—South Korean Defence Minister Lee Sang Hoon met here today with Omani Deputy Premier for Security and Defence Affairs Fahr Bin-Taymur Al Sa'id, currently visiting seoul.

The OMANI NEWS AGENCY said the meeting was attended by a number of officers in the two countries, it gave no further details.

Report on Rising Exports to ASEAN

SK0210011190 Seoul THE KOREA HERALD in English 2 Oct 90 p 6

[Text] The Association of Southeast Asian Nations is emerging as a major market for Korean products. Exports to the six-member ASEAN climbed 35.5 percent to $2,701 million during the first seven months of this year when shipments to the United States and Japan declined.

ASEAN's share of Korean exports rose from 4.2 percent in 1987 to 7.7 percent during the first seven months of this year. Exports to ASEAN have grown at an annual rate of more than 30 percent since 1987. The surge in exports to ASEAN has resulted from its push for industrialization, says the Ministry of Trade and Industry. Its machinery imports from Korea shot up 136.5 percent to $454 million during the January-July period. The were followed by textile and clothing imports, which gained 40.8 percent, and chemical imports, which grew 35.9 percent. ASEAN's electronic imports climbed 30 percent.

But Korean exports of steel and other metal products fell 13.2 percent when Korean companies could not fill all the orders from ASEAN because of strong domestic demand. The increasing number of Korean joint venture investments in ASEAN also contributed to the rise in Korean exports to ASEAN. Joint-venture companies tended to place orders for plants in Korea, the ministry says.

With its economy projected to grow at a high rate, at least until the mid-1990s, ASEAN is expected to continue to buy much from Korea, it says.

Imports by Thailand, Malaysia, the Philippines and Indonesia are projected to grow from $53 billion in 1988 to $120 billion in 1994, it says.

It is not only Korea that benefited from ASEAN's rapid economic growth.

EC May Retaliate Against ROK Trade Practices

SK0110020190 Seoul KYONGHYANG SINMUN in Korean 28 Sep 90 p 2

[YONHAP from Brussels]

[Text] On 27 September, it was reported that the EC was studying measures to retaliate against the ROK in trade affairs, including filing a suit to the GATT, if the two sides fail to find a satisfactory compromise over such major trade issues as the protection of intellectual property and Korea's heavy tariffs imposed on the import of luxury goods from EC countries—issues over which the EC and Korea are feuding.

This was reported by the Danish daily BORDEN in an interview with Jill Anouil [name as published], ambassador of the EC mission in Seoul, published early this week in Copenhagen. According to this report, the EC has compiled a list of Korea's protectionist practices and violations of the GATT.

Trade Promotion Office Opens in Romania 1 Oct

SK0210010190 Seoul THE KOREA TIMES in English 2 Oct 90 p 8

[Text] The Korea Trade Promotion Corporation (KOTRA) yesterday opened a trade office in Bucharest, Romania, the state-run company said yesterday.

The opening of the KOTRA office in Bucharest is based on an accord of business cooperation signed on Sept. 15 between KOTRA president Yi Sun-ki and Arel Ghibutziu, chairman of the Romanian Chamber of Commerce and Industry, officials said.

Romania became the eighth East European country in which KOTRA has set up a trade office. KOTRA has already established trade offices in Yugoslavia, Hungary, Poland, Bulgaria, the Soviet Union, East Germany and Czechoslovakia under a policy aimed at improving relations with socialist or communist nations.

Korea set up ambassadorial ties with Romania last April.

The opening of the trade office will help facilitate direct trade between Korea and Romania and swaps of trade delegations and economic information, the officials said. The office will be headquartered at the Inter-Continental Hotel in downtown Bucharest for the time being, but KOTRA predicted little problem ahead in carrying out normal work.

Trade between Seoul and Bucharest still remains at a small scale. Korea's exports to Romania were worth $300,000 last year, while Korean imports from that country totaled about $18 million. A KOTRA official however said that bilateral trade will grow at a rapid pace given frequent contacts of businessmen from both countries in recent months.

Romania is the second most populous country in East Europe after Poland and is estimated to have a great market potential because the country has been aggressively pressing for economic reforms and openness aimed at introducing a market-based economy. Its population and per capita GNP are tallied at about 23 million and $4,000, respectively.

Korea has been endeavoring to improve diplomatic and economic relations with the Soviet Union, China and East European countries since President No Tae-u took office in 1988.

To commemorate the opening of its office in Bucharest, KOTRA companies to take part in an international trade fair to be held in Bucharest Oct. 13-21. It will mark the first trade exhibition i Romania attended by Korean companies whose attendance scale is learned to be the largest among participating nations.

Committee Formed To Oppose Uruguay Round Talks

SK2909000590 Seoul THE KOREA TIMES in English 29 Sep 90 p 3

[Text] A pan-national committee was formed yesterday to oppose GATT's Uruguay Round trade negotiations which are expected to bring about devastating consequences to the nation's fledging agriculture industry.

The inauguration of the committee comprising farmer's groups, consumer's groups and academic and religious circles comes at a time when the four-year trade negotiations of the General Agreement on Tariffs and Trade are reaching their peak before conclusion in December. The committee will engage in a full-fledged struggle against the multinational trade negotiations by launching a nationwide signature-collection drive and holding large-scale outdoor and indoor rallies, a spokesman said.

Student organizations such as Chondaehyop, the progressive National Council of Student Representatives, will also join the struggle by publicizing the unfavorable consequences of the trade negotiations to farmers.

Facing mounting pressures from almost all walks of the life, the government is moving to step up its activities to stress that the Uruguay Round negotiations are inevitable for the nation's long-term interest.

The ceremony to inaugurate the pan-national committee was held in Seoul yesterday with representatives of Chonnong, a recently-formed body of activist farmers, and about 100 other organizations attending. "The nation's agriculture industry which remains in the fledging stage because of the failure of the government's agriculture policies will totally collapse in the wake of the Uruguay Round," ceremony organizers said. They warned that the collapse of self-sufficiency in agriculture will deal a severe blow to the whole people as well as farmers.

The signature-collection drive will be launched Oct. 1 coinciding with the deadline for the submission of the "country list" which will contain the nation's protectionist agricultural policies.

The committee will also organize a massive rally Oct. 14 to protest the government's stance in the Uruguay Round negotiations, a day before the government will submit the "offer list" containing the nation's itineraries on the reduction of agricultural subsidies. Meanwhile, student activists are to visit rural areas to publicize the expected impact of the Uruguay Round negotiations on the agriculture industry while helping farmers harvest their crops.

Chondaehyop and other student bodies will distribute leaflets to farmers through door-to-door visits or residents' meetings.

To cope with the increasing pressure from farmers' groups, the government printed and distributed booklets to explain the reason why the government should participate in the trade talks. In the blooklets, the government said that the Urguay Round is a step to work out a new international order for crop trade. The government also stressed that the nation's withdrawal from the Uruguay Round would invite stepped-up economic sanctions from countries importing the nation's products.

DLP To Hold Local Elections in Early 1991

SK2809033990 Seoul YONHAP in English 0238 GMT 28 Sep 90

[Text] Seoul, Sept. 28 (YONHAP)—South Korea's ruling party reaffirmed plans Thursday to hold local elections in the first half of next year.

Kim Yong-hwan, chief policy-maker of the Democratic Liberal Party (DLP), told reporters after a meeting of a DLP panel on implementing local autonomy that the DLP was willing to concede to the Party for Peace and Democracy (PPD) on the number of seats in provincial and big city assemblies.

The DLP wants three representatives per constituency on the parliaments while Kim Tae-chung's PPD wants two.

The chief policy-maker said the DLP will positively review the PPD demands. The big cities are Seoul, Pusan, Taegu, Inchon, Kwangju and Taejon.

The DLP will adopt the public election management system to prevent elections from being overheated or rigged, and will soon submit the revision of local autonomy-related laws to the National Assembly for approval, Kim said.

Burma

Diplomats Note Discontent Widespread in Army

BK0210014490 Bangkok BANGKOK POST in English 2 Oct 90 p 8

[Excerpt] Burma's army, which has ruled under strict martial law for the past two years, is not as solid as it seems and may be seriously divided between senior and junior officers, sources told Reuters yesterday.

Diplomats and Burmese inside and outside the country said some officers had come into conflict with the ruling junta over its refusal to hand over power to the opposition National League for Democracy [NLD] which won election four months ago. "There is a growing unease among these officers about what they are being asked to do in the name of the armed forces," said a Burmese with close family links to the army.

The junta crushed a nationwide uprising two years ago, killing more than 1,000 demonstrators. It later promised to step down after general elections but since the overwhelming opposition victory in May it has ruled out any quick power switch and has arrested two NLD leaders.

The sources said many soldiers had shown their anger with the junta by voting en masse for the NLD which won 80 percent of seats contested, even constituencies dominated by army families.

"There are a number of officers within the regime who are becoming deeply disquieted by the way things are going and would like to see a dialogue with the opposition," a senior diplomat said.

Relatives of army officials said dissenting officers including captains had been dismissed or shifted in recent months over their refusal to carry out junta orders to arrest opposition politicians. They did not know how many officers had been affected but said discontent was rife.

Diplomats said soldiers were also alarmed by a growing campaign by Buddhist monks mocking the army. Monks in Mandalay and several northern towns had since August refused to perform religious rituals for army families and would instead bow down in front of passing soldiers in insulting irony. "This is having a major impact on rank and file soldiers who have effectively been excommunicated," a diplomat said. [passage omitted]

BBC on Political Situation, Hunger Strike

BK0110154790 London BBC in Burmese to Burma 1400 GMT 1 Oct 90

[Text] Dear listeners: The National League for Democracy [NLD], which overwhelmingly won the May elections, has made repeated demands for a national convention by the end of September and for talks with the leaders of the military regime to hand over power in Myanmar [Burma]. None of these demands has materialized, nor has there been a response to the demands.

From the statements of some military leaders, the regime appears to believe it is not necessary to have talks with the NLD. The government has adamantly demanded certain conditions be met before a national convention is held. The conditions may be to settle the complaints filed in connection with the elections and the obtaining of a clean bill for the expenses incurred by candidates in the elections.

The NLD now has two problems. The ball is now in the NLD's court, and the NLD knows its supporters are expecting the party to do something. The massive demonstration rumored to take place in September to support the NLD's stance did not materialize. In fact, several important NLD leaders were either arrested or taken in for interrogation, which appeared to have stalled the party machinery.

It is not clear how the NLD will respond now. According to a report, moderates within the NLD were able to calm the radicals at a meeting held in Yangon [Rangoon] on Friday [29 September], and those at the meeting finally decided to have talks with the military regime.

Currently, the NLD has sent a delegation to Mandalay where the monks and students have been openly defying the military since August. There are two reasons for sending the delegation: to soothe the rising anger and to restructure the party there by naming replacements for the four top representatives placed under arrest.

Last week, news emerged again about the continuing arrests of the members of the NLD and the Democracy Party—a party that won a seat in the elections. According to diplomatic circles, a top Democracy Party leader was taken in for questioning while another was likely to face charges.

Meanwhile, there has been news about government troops beating up people at the Insein jail in Yagon who are on a hunger strike to support the transfer power. According to a diplomat, there have been reports about brutalities and the beating of people on hunger strike and about gunshots heard by witnesses outside the Insein jail. The diplomat said there was news that some people have reportedly being hospitalized and about 70 people transferred to Tharrawaddy. Recent reports indicate about 100 people were on hunger strike in the Insein jail.

Diplomatic envoys from four EC nations in Yangon said they hope to meet in Yagon tomorrow—on Tuesday—to discuss what sort of action they should take in response to the Myanmar Government, which has denied there was any diplomatic protest lodged with the military leaders about 10 days ago. The protest note not only dealt with the military regime's refusal to hand over power, but it also dealt with the detention and harrassment of embassy employees and the intrusion into diplomatic buildings.

Pam O'Toole quoted a diplomat as saying the four nations would try to explicitly show the incident did indeed take place. The diplomat also said the acting Myanmar foreign minister had apologized for the intrusion of soldiers into the residential compound of a West German diplomat.

SLORC Member Addresses Workers on Tasks

BK3009114590 Rangoon Domestic Service in Burmese 1330 GMT 29 Sep 90

[Excerpts] Lieutenant General Sein Aung, member of the State Law and Order Restoration Council [SLORC] and minister for industry-1 and industry-2, inspected factories under the ministries in Mon and Karen States. The minister, accompanied by U Khin Maung Swe, managing director of Myanmar [Burma] Ceramic Industries of the Ministry of Industry-1; Colonel Than Shwe, managing director of Myanmar Heavy Industries of the Ministry of Industry-2, and U Mya San, head of office of the Ministry of Industry-1, left Yangon [Rangoon] by car at 0500 on 27 September 1990 and arrived at Sittang Paper Mill at 0800. [passage omitted]

The minister met with workers of Sittang Paper Mill at the meeting hall at 1000 on 29 September. Throughout the inspection tour, the minister met with workers of respective factories and mills. In his meetings, he praised the might of the workers, who are trying their best, though faced with lots of difficulties, to improve the state economic sector by boosting production. He reminded workers that this is a very important time for the country. It could be practically seen, countrywise, that the government is doing all it could for a change to the multiparty system. At this time, a new constitution must be drawn, taking example of past procedures, in accordance with implementing the multiparty democracy system. In drawing the constitution, examples should be taken from the exhibition—The Burmese Political History and National Causes—currently held at the Tatmadaw Hall. There is also the need for unity among all the indegenous races.

At the moment there are many concepts, desires, and disunity. That is why the Armed Forces is doing everything to prevent the country from being enslaved again. The Armed Forces is performing its three major tasks—to prevent the disintegration of the union, to prevent national unity from disintegrating, and to perpetuate the sovereignty. It is not only the duty of the Armed Forces, but it also concerns the workers and the entire people. No one can accept the country's returning to the enslaving situation. Once you are enslaved, it takes a prolonged effort with investment of many lives to gain back the lost freedom. Enslavement can be prevented only if there is unity. [passage omitted]

He next reminded workers to abide by factory rules and regulations and cited that workers can support the stability and improvement of the country, by abiding with the rules and regulations, and by boosting production for economic stability of the state. Workers were also urged to refrain from party politics, since they are government employees and should work for the accomplishment of the national economy. [passage omitted]

The minister and party left Sittang Paper Mill at 1200 and arrived back in Yangon at 1500.

Karen Group Condemns Killing of Thai Workers

BK0110014690 Bangkok THE NATION in English 1 Oct 90 p 4

[Excerpts] The Karen National Union (KNU) yesterday condemned Rangoon for the killing of six Thai workers by Burmese troops over the last two months.

In a letter to THE NATION, the KNU's secretary of the Department of Foreign Affairs, Em Marta, said "the KNU strongly condemns the barbaric acts of the Burmese soldiers on Thai people and share the grieves (sic) of the relatives of the deceased and the concern of Thai authorities". The secretary accused the Burmese military government of having no respect for Thailand sovereignty. [passage omitted]

Thai officials from the Thai-Burmese Border Coordinating Committee will ask the Burmese government for the return of the six bodies of the workers, a source said on Saturday. The source said if Rangoon refuses, Thai authorities would put the issue on the agenda for the committee's next meeting to be held in Thailand in November.

Brunei, Malaysia & Singapore

Malaysia

Commentary Views Foreign Minister's UN Speech

BK2809124190 Kuala Lumpur International Service in English 0800 GMT 28 Sep 90

[Station commentary]

[Text] Malaysian Foreign Minister Datuk Abu Hassan Omar was straightforward and clear-cut in his address at the UN Security Council on Wednesday [26 September] when he pledged Malaysia's support for the imposition of an air traffic embargo against Iraq but at the same time expressed Malaysia's disappointment over the UN's dismal record with regard to the Palestinian issue. Malaysia is in total agreement with the UN resolution with its purposes to seek another solution to the Gulf crisis. But she [Malaysia] also bears in mind the plight of the Palestinians under Israeli occupation and aggression.

Malaysia feels, as Datuk Abu Hassan stated at the assembly, that there can be no hope of a stable and secure Middle East without the Palestinian problem and the Gulf crisis being given equal emphasis and attention. Malaysia has supported all UN resolutions in furtherance of the international community's objective to bring about the withdrawal of Iraqi forces from Kuwait and end its occupation of that country.

Malaysia realizes that the main aim of the resolution of the air traffic embargo is to make sanctions effective and achieve the desired results. However, he feels perturbed over the head-long rush from one resolution to another. The question that arises is whether enough time has been given for each resolution to take effect. [words indistinct] there is a fact that vetoes have been applied, particularly in the case of the Palestinian issue. These vetoes have virtually paralyzed efforts of the Security Council and curtailed the moves of the UN secretary general on such issues.

As the Malaysian foreign minister said, Malaysia believes that there is a need to take stock of the Security Council's direction. Datuk Abu Hassan's outspoken address echoed the sentiment expressed by the prime minister, Dr. Mahathir Mohamed, at the Malaysian-Palestine unity rally in Kuala Lumpur during the visit by Palestinian Liberation Organization, PLO, leader Yasir 'Arafat to Malaysia in May this year.

The premier criticized advocates of human rights, who were vociferous in championing the cause of others, but not when it came to the plight of Palestinians under Israeli rule. During the last three years, 1,300 Palestinians have been murdered, 60,000 wounded, and 85,000 imprisoned.

The United States is sincere in urging Israel to focus its efforts on the peace process, but there is a general feeling that the United States does not have the courage of its convictions. She [the United States] is still locked to her traditional stand of supporting Israel no matter how inflamatory or (?explosive) the latter's policy may be. Only recently the United States cast a veto on the Security Council's attempt to send a three-member investigation commission to seek ways to protect Arabs living under Israeli rule. In June, the United States also broke up the 18-month dialogue with the PLO on the peace process.

But when it came to the Iraqi invasion of Kuwait, the United States has been in the forefront in efforts to end the Iraqi occupation. Why the double standard? Malaysia is all for a speedy end to the Gulf crisis and for the Kuwaiti Government-in-exile to be given back its sovereign right to govern its land. But she would also like to see an urgent solution to the Palestinian problem and the Palestinian people being given their right to self-determination and a democratic life.

King Azlan Shah Returns From Indonesia Visit

BK3009113090 Kuala Lumpur International Service in English 0800 GMT 30 Sep 90

[Text] His Majesty the King Sultan Azlan Shah and Her Majesty Tuanku Bainun returned to Kuala Lumpur today at the end of a one-week state visit to Indonesia. Their majesties were greeted on arrival by Prime Minister Datuk Sri Dr. Mahathir Mohamed, his wife, and Defense Minister Tengku Ahmad Rithauddeen.

Earlier, the royal couple were seen off at Bali's Ngurah Rai Airport by Indonesian Defense Minister General Benni Murdani, Bali Governor Prof. Ida Bagus Oka, and local dignitaries. During the visit, his majesty held talks with President Suharto and laid a wreath at the Kalibata National Heroes Mausoleum.

Leading Opposition Figure on Upcoming Election

BK2809072290 Hong Kong AFP in English 0558 GMT 28 Sep 90

[By Mervin Nambiar]

[Text] Kota Bahru, Malaysia, Sept 28 (AFP)—Former Trade Minister Tengku Razaleigh Hamzah, Malaysia's leading opposition figure, said Friday a fledgling alliance of parties he heads would win the right to form the next government at polls expected soon.

"All I want are 43 seats (in the lower house) and I will be in position to form the next government," Mr. Razaleigh, a 3-year-old bachelor prince who studied economics in England before entering politics, said in an interview.

There will be 180 seats in the Dewan Rakyat, the lower house, three more than at present, at stake when Prime Minister Mahathir Mohamad calls Malaysia's eighth general election since independence.

Mr. Razaleigh said that all his "Semangat '46" (Spirit of 46) needed was to win a simple majority of the 84 seats that Dr. Mahathir's United Malays National Organisation (UMNO) will contest to earn the right to form Malaysia's next government. "We are already sure of 36 seats," he said.

UMNO heads the ruling 11-party National Front, a grouping of mostly ethnically-based parties representing Chinese, Indians, and tribal groups like the Kadazans and Ibans, which will contest the remaining 96 seats.

Mr. Razaleigh's alternative alliance of opposition parties groups his moderate Moslem supporters with fundamentalists from the Parti Islam, ethnic Chinese in the Democratic Action Party (DAP) and other smaller parties. The former trade minister said that his Semangat '46, Parti Islam and the DAP could win up to 78 of the 132 seats in peninsular Malaysia and would form the government with support from the east Malaysian states of Sabah and Sarawak where most parties are now nominally allied to Dr. Mahathir.

"I think the political parties in Sabah and Sarawak will be king makers. It is they who will decide who will form the government," Mr. Razaleigh said. Sabah has 20 seats in the lower house and Sarawak 24 seats.

Mr. Razaleigh said that by winning 43 seats his Semangat '46 would show that it enjoyed the support of the majority of ethnic Malays who form about half of Malaysia's 17 million people and wield most of its political power. "When this happens there will be a realignment with other parties in the National Front defecting because Dr. Mahathir would have lost the moral right to be prime minister, even if his allies perform well," he said.

Analysts said that they thought Mr. Razaleigh's assessment somewhat optimistic but acknowledged that the National Front will face a real threat to its stranglehold on power at the general election that Dr. Mahathir must call by October next year. They said Mr. Razaleigh's opposition alliance could, however, severely dent the National Front's performance and for the first time deny Dr. Mahathir the two-thirds majority in parliament needed or amendments to the constitution.

In recent weeks Dr. Mahathir has concentrated his campaigning in the ethnic Malay rural heartland, including this northern capital of Kelantan, Mr. Razaleigh's home state, where Semangat '46 and the Parti Islam are thought to be strongest. Mr. Razaleigh said that his Semangat '46 and Parti Islam were poised to capture the state governments in Kelantan, Perlis and Trengganu while the DAP was expected to win in the predominantly ethnic Chinese state of Penang. Kelantan, Perlis and Trengganu with predominantly ethnic Malay populations are among Malaysia's most conservative and economically backward states where Parti Islam consistently polled more than 35 per cent of the popular ballot before joining Mr. Razaleigh's alliance.

"I think we also have a 50:50 chance in Kedah," Mr. Razaleigh said. Kedah is Dr. Mahathir's home state.

Mr. Razaleigh said he wanted to form a government of national reconciliation, grouping all parties and interests to resolve racial, religious and socio-economic issues. "We must stop sweeping problems under the carpet. It is time to come clean," he said.

Dr. Mahathir and his top aides, however, have accused Mr. Razaleigh and his supporters of political opportunism and said their actions are splitting ethnic Malays and threatening their domination of Malaysian politics.

Mr. Razaleigh broke with Dr. Mahathir in 1987 after narrowly failing to unseat him as president of UMNO. He formed his Semangat '46 the following year after accusing Dr. Mahathir of killing UMNO's democratic traditions. Mr. Razaleigh has accused Dr. Mahathir of fostering cronyism, economic mismanagement and failure to unite Malaysia's many races, among other things.

Mahathir on Further Development of Stock Market

BK0210070290 Kuala Lumpur BERNAMA in English 0532 GMT 2 Oct 90

[Text] Kuala Lumpur, Oct 2 (OANA-BERNAMA)—The relatively young Malaysian capital market will be developed to become comparable to the more established markets of the developed countries, Prime Minister Dr. Mahathir Mohamed said here Tuesday.

"The various efforts at strengthening the capital market are further boosted by the decision taken to promote the Kuala Lumpur Stock Exchange (KLSE) as an independent exchange by requiring Malaysian registered companies to delist themselves from the Stock Exchange of Singapore," he added. He acknowledged that the development came fast and almost furious, but it had helped to make the market more mature and more capable of playing its role in the development of Malaysia's economy.

He was speaking at the opening of a convention and exposition on Malaysia's capital growth opportunities here organised by the KLSE and the financial daily, BUSINESS TIMES. He said the KLSE would introduce the central depository or "scripless" trading next year which would alleviate the problems related to share certificates as well as do away with physical delivery of scrips. Some 60 exhibitors representing 90 companies are participating in the convention and exposition being held until Oct 6.

Copyright Protection Amendment Effective 1 Oct

BK0210093790 Kuala Lumpur BERNAMA in English 0823 GMT 2 Oct 90

[Text] Kuala Lumpur, Oct 2 (OANA-BERNAMA)—Malaysia became a member of the Berne Convention, which offers copyright protection, with the coming into force of the Copyright (Amendment) Act 1990, Monday [1 October].

As a member of the convention, copyright works produced in Malaysia will also enjoy copyright in all other member countries, according to a Trade and Industry Ministry statement Tuesday. The statement said membership would also enable pirating to be checked and thus encourage growth of legitimate industries like in the computer, printing, literary, music, films and broadcasting fields, apart from transfer of modern technology in these fields.

The government would also not lose in terms of taxes which it would not be able to get from the pirates, it said. The statement said the copyright protection extended to the other countries would indirectly serve as an incentive for the growth of local works as the market for them was wider.

Local works, it said, would also experience growth indirectly as use of foreign works would require prior permission of the coypright holder who would have to be paid royalty. Foreign composers would also not hesitate to bring their works to this country as they will be protected and the copyright holders would be paid accordingly.

The Copyright (Amendment) Act 1990, the statement said, gave protection for sound recording and the editions produced but added that the Berne Convention did not provide protection for these. In this connection, it said, the minister was empowered to give protection to sound recording works produced for the convention countries which gave copyright protection to the works. The list of countries involved would be issued from time to time.

Cambodia

UN Expected To Adopt Consensus Resolution

BK0210013890 Bangkok BANGKOK POST in English 2 Oct 90 p 5

[By Phonphimon Kanchanalak in Washington]

[Text] The United Nations General Assembly this year will not vote on Cambodia for the first time in a decade, but is expected to adopt a consensus resolution on the war-torn country on October 12.

The draft resolution is being discussed among ASEAN members and the six ASEAN foreign ministers are to meet this week to approve the final version of the resolution which will subsequently be circulated among last year's co-sponsors for their comments and approval. ASEAN will then discuss the resolution with all major powers, regional groupings and Vietnam.

Although the final version of the resolution to be adopted by the General Assembly on October 12 may contain slightly different wordings than the current version, the gist of it will remain the same. Basically, the resolution will be short, simple and non-recriminatory. It will follow the existing consensus defined by the agreement among the five permanent members of the UN Security Council, the Jakarta agreement, and the recent UN Security Council resolution.

Two weeks ago in New York, the Security Council unanimously endorsed the Jakarta agreement and called on the four Cambodian factions to elect the 13th member of the Supreme National Council (SNC) formed early last month by the Jakarta agreement.

According to a diplomat in New York, ASEAN concurred there was no need for a vote on Cambodia this year. As far as the six ASEAN nations are concerned, the UN seat held by the resistance coalition until recently is now occupied by the SNC. "It does not matter whether or not the SNC delegation is going to be at the UN physically. Their absence is not a matter of principles but of their inefficiency," the diplomat said.

ASEAN diplomats agreed that the growing political trouble facing the Hun Sen government in Phnom Penh has hampered the peace process.

However, they expressed confidence that as long as China and Vietnam wanted to settle the Cambodian problem, as evident from their recent historic agreement in Beijing, the Cambodian factions would eventually come to terms within the parameter of settlement agreed by the Permanent Five.

The five permanent members of the Security Council are scheduled to meet this month to discuss details of the Cambodian settlement. By the end of this month, ASEAN expects the Permanent Five to meet with all the Cambodian factions and the two cochairmen of the Paris International Conference on Cambodia (PICC).

French Official Leaves After 'Successful Trip'

BK0110151490 Hong Kong AFP in English 1428 GMT 1 Oct 90

[Text] Phnom Penh, Oct 1 (AFP)—French Secretary of State for International Cultural Relations Thierry de Beauce left here Monday for home after a successful trip capped by a visit to Angkor Wat.

Mr. De Beauce, before boarding a direct private flight to Bangkok en route for Paris, described his talks with Prime Minister Hun Sen and Foreign Minister Hor Nam Hong here as "very positive and very concrete." They discussed the peace process aimed at ending 12 years of war between Phnom Penh and the tripartite resistance, the significance of his visit and bilateral cooperation in several fields.

Mr. De Beauce also met National Assembly Chairman Chea Sim for political discussions. The Cambodian parliament leader is seen by some observers as an alternative power centre to Mr. Hun Sen.

The French minister said the two sides had shared many points of view during the talks.

Mr. De Beauce was here officially to open Sunday the Alliance Francaise branch but said his visit followed the agreement in Jakarta between the warring factions to join in a Supreme National Council (SNC) representing Cambodian sovereignty ahead of United Nations-supervised general elections. He said he was here to welcome the development and re-launch cultural and other ties with the "new Cambodia."

The SNC, which is planned to take over Cambodia's U.N. seat, suspended its first meeting in Bangkok earlier this month after the faction failed to agree on who would take the chairmanship.

The two sides also discussed a timetable for reconvening the failed August 1989 Paris International Peace Conference on Cambodia aimed at forging a comprehensive political settlement.

Paris and Phnom Penh do not have diplomatic links. Observers here said the cultural centre could represent a de facto diplomatic mission. One diplomat described it as a place staffed by "diplomats on sabbatical," but Mr. De Beauce denied while adding that it could coordinate bilateral contacts.

Mr. De Beauce, the most senior Western government official to make a trip to Phnom Penh in more than 15 years, visited Monday the ancient Angkor Temple complexes in northwest Cambodia. He noted at a lunch hosted by Leng Vy, the head of Siem Reap-Oddar Meanchey Provincial People's Committee, that the last top French official to visit the site was General Charles de Gaulle in 1966. Mr. De Beauce visited the symbol of the nation, Angkor Wat, the Bayon, the Victory Gate and the Terrace of Elephants before returning to Phnom Penh.

He had spent Christmas at Angkor in 1965 with a member of his delegation, the Foreign Ministry Asia Department Chief Claude Martin. French experts worked on renovating the site until the early 1970's but it was neglected during and after the brutal 1975-79 rule of the Khmer Rouge, now the strongest military faction in the resistance. Experts from the French School of Far Eastern Studies are to head in December and January an international team evaluating restoration work needed most, school director and delegation member Leon Vandermeersch said.

Mr. De Beauce was due to catch a flight to Paris from Bangkok later Monday.

SPK Reports

BK0210065890 Phnom Penh SPK in English 0502 GMT 2 Oct 90

[Text] Phnom Penh SPK, October 2—The French governmental delegation led by Thierry de Beauce, secretary of state for International Cultural Relations, left here yesterday afternoon after a four-day official visit to Cambodia.

The delegation was seen off at Pochentong Airport by Education Minister Yos Son, Deputy Foreign Minister Long Visalo, and others.

While here, the delegation was received on separate occasions by Chea Sim, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee and president of both the National Assembly and the National Council of the United Front for Construction and Defence of the Kampuchean Fatherland; and Hun Sen, Politburo member and prime minister.

The Cambodian leaders warmly welcomed the visit and thanked the French Government for having played an active role as a co-chairman of the Paris International Conference on Cambodia and as a member of the United Nations Security Council in seeking a political solution to the Cambodian problem.

The French delegation discussed with Cambodian ministers and deputy ministers issues relating to the cooperation between the two countries in culture, education, health, agriculture, and rubber production. It attended the inaugural ceremony at the "Alliance Francaise" Centre in Phnom Penh.

It also visited the "Tuol Sleng" museum of genocide, the former Royal Palace, the Preah Keomorakath Temple [Silver Temple], the former French Embassy, the former "Calmeete" Hospital and the Angkor Wat Temple in Siem Reap-Oddar Meanchey Province.

SRV Labor Union Delegation Concludes Visit

Meets Chea Sim

BK0210033090 Phnom Penh Domestic Service in Cambodian 1300 GMT 1 Oct 90

[Text] On the morning of 1 October at the National Assembly, Comrade Chea Sim, member of the party Central Committee Political Bureau and chairman of the National Assembly and of the Kampuchean United Front for National Construction and Defense, received and had a cordial and intimate conversation with the Vietnamese labor union delegation led by Comrade Nguyen Van Tu, member of the CPV Central Committee and of the Council of State and chairman of the General Federation of Vietnamese Workers.

During the meeting, Comrade Chea Sim informed the delegation about the national and international situation, particularly the issues relating to a solution to the Cambodian problem and the goodwill stance of the party and government of the State of Cambodia aiming at ending the over-11-year conflict in Cambodia. The comrade added that the visit to Cambodia by the Vietnamese labor union delegation would certainly enhance the cooperation between the labor union organizations of the two countries.

In his reply, Comrade Nguyen Van Tu thanked our party, state, and Cambodian Federation of Trade Unions for creating favorable conditions to facilitate his visit to our State of Cambodia. The comrade also spoke on the reforms to the economic structure in Vietnam, particularly in the production of essential goods for export. The comrade stressed that the General Federation of Vietnamese Workers would continue to expand the cooperation between the two labor unions of Vietnam and Cambodia.

Departs 1 Oct

BK0210071090 Phnom Penh Domestic Service in Cambodian 0430 GMT 2 Oct 90

[Text] On the afternoon of 1 October, the delegation of the General Federation of Vietnamese Workers led by Comrade Nguyen Van Tu, member of the CPV Central Committee and of the Council of State and chairman of the General Federation of Vietnamese Workers, left for home after paying a week-long visit to our State of Cambodia.

During its stay in the State of Cambodia, the Vietnamese labor union delegation visited the Rumdaoh Cigarette Factory, Prek Phneou Sawmill, Kulab-Culong Orphanage, former royal palace and museum, Tuol Sleng museum, and Angkor Wat Temple.

The delegation was also received by Comrade Chea Sim, member of the party Central Committee Political Bureau and chairman of the National Assembly and of the National Council of the Kampuchean United Front for National Construction and Defense; and Mrs. Men Sam-an, member of party Central Committee Political Bureau and chairman of the Cambodian Federation of Trade Unions.

Seeing the delegation off at Pochentong Airport were Comrade Soy Siphon, alternate member of the party Central Committee and vice chairman of the Cambodian Federation of Trade Unions, and cadres from the Standing Committee and the office of the Cambodian Federation of Trade Unions.

Also on hand at the airport was Comrade (Tinh Xuang), counselor of the SRV Embassy to the State of Cambodia.

Hor Nam Hong Sends Message to Nguyen Co Thach

BK0210041590 Phnom Penh Domestic Service in Cambodian 1300 GMT 1 Oct 90

[Text] Comrade Hor Nam Hong, foreign minister of the State of Cambodia, has sent a message of thanks to Comrade Nguyen Co Thach, foreign minister of the SRV, for congratulating him on his appointment as foreign minister of the State of Cambodia. The message notes:

I sincerely thank you for your warm congratulations on my appointment as the foreign minister of the State of Cambodia. I am convinced the close ties of solidarity, friendship, and cooperation between our two countries and our two foreign ministries will further develop and expand. May the comrade minister enjoy good health and greater successes in your noble duty.

Shevardnadze Greets Hor Nam Hong on Appointment

BK0210062890 Phnom Penh SPK in English 0500 GMT 2 Oct 90

[Text] Phnom Penh SPK, October 2—Hor Nam Hong, the newly appointed foreign minister of the State of Cambodia, has received a message of congratulations from his Soviet counterpart, Eduard Shevardnadze.

In his message, the Soviet foreign minister said: "In our country, you have been recognized as an experienced diplomat who participated, in an active way, in the search for a political solution to the conflict in Indochina".

He also highly valued the Cambodian diplomat's contribution to consolidating and developing the multiform cooperation between the two countries.

The Soviet foreign minister concluded by wishing the close cooperation between the Soviet Union and the State of Cambodia further development in the interests of peace and security in Southeast Asia.

Outcome of Heng Samrin's USSR Visit Acclaimed

BK2909063790 Phnom Penh SPK in French 0129 GMT 29 Sep 90

[Text] Phnom Penh 29 Sep (SPK)—The visit to the USSR from 19 to 21 September of the high-ranking delegation of the party and the State of Cambodia led by Comrade Heng Samrin, general secretary of the KPRP [Kampuchean People's Revolutionary Party] Central Committee and chairman of the Council of State, has brought an active contribution to the consolidation of the bonds of friendship, solidarity, and cooperation between the two countries.

In an editorial devoted to this event, the weekly PRACHEACHON, central organ of the KPRP, stressed that this visit marked a new stage of great importance in the Cambodian people's political life. It occurred at a time when the Cambodian people have achieved notable successes in national defense and construction, thus contributing to preventing the return of the genocidal Pol Pot regime to Cambodia.

After recalling the talks between Chairman Heng Samrin and Lukyanov, chairman of the USSR Supreme Soviet, PRACHEACHON notes:

"The two leaders shared the same view on all issues raised. They were in favor of the Cambodian people's interests, peace, stability, and cooperation in Southeast Asia."

"The Soviet leader expressed the resulting position by the Soviet party, government, and people in supporting the Cambodian people's just struggle and strengthening the relations of friendship and multifold cooperation between the two countries."

"The Soviet Union, permanent member of the UN Security Council, pledges to cooperate with the State of Cambodia in the search for a just and equitable political solution to the Cambodian problem on the basis of respect for the right to self-determination of the Cambodian people."

"The Cambodian people are delighted with the success of this visit and see in it encouragement for the consolidation of the relations of friendship, solidarity, and cooperation between the two countries. They thank the Soviet Union for its support to their just struggle," concludes the paper.

Tie Banh, French Official Discuss Rural Areas

BK3009120690 Phnom Penh Domestic Service in Cambodian 1200 GMT 29 Sep 90

[Text] On the afternoon of 26 September, at the 13 October guest house, Comrade General Tie Banh, member of the party Central Committee Political

Bureau, vice chairman of the Council of Ministers, and defense minister of the State of Cambodia, received (Christophe), representative of the French minister in charge of humanitarian assistance, and talked about a number of matters to understand the situation in rural areas in the State of Cambodia.

Answering questions by the representative of the French humanitarian organization, Comrade General Tie Banh pointed out the State of Cambodia's successes, particularly the victories of the Cambodian People's Armed Forces over the three reactionary Cambodian groups following the complete repatriation of Vietnamese volunteer troops. Although the three reactionary Cambodian groups have lately intensified their activities in a number of rural areas in Banteay Meanchey and Battambang Provinces, particularly areas in Kompong Thom Province, they cannot win. At present the enemies are confused and in panic while the State of Cambodia's forces are getting stronger and firmer. Comrade General Tie Banh also pointed out that a number of war refugees, who fled insecure zones, are now gradually returning to their original localities because security has now been ensured in these areas. This is because the increasing advantage of our forces over the enemies.

Tie Banh Meets Outgoing Polish Ambassador

BK0210043090 Phnom Penh Domestic Service in Cambodian 1300 GMT 1 Oct 90

[Text] On the morning of 29 September at the 13 October Guest House, Comrade General Tie Banh, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and defense minister, received Comrade Jozef Koblialka, ambassador extraordinary and plenipotentiary of the Polish Republic to Cambodia who paid a courtesy call at the end of his successful diplomatic mission in Cambodia.

Comrade Jozef Koblialka thanked General Tie Banh and the high-ranking leaders of the State of Cambodia's party and state for providing favorable conditions for him to fulfill his diplomatic mission successfully during the past three years. The comrade stressed the Polish party, government, and people have actively supported the State of Cambodia's stance and goodwill in seeking peace for the people. The comrade expressed the conviction that the cooperation and friendship between the two peoples and countries will further develop and expand.

In his reply, Comrade General Tie Banh welcomed the success of Comrade Jozef Koblialka's diplomatic mission in Cambodia. Comrade General Tie Banh stressed the party and government of the State of Cambodia have done everything possible to seek peace for the people. However, the search for a solution has been hindered and obstructed by the other Cambodian side at almost every negotiating forum. The other Cambodian side does not understand the Cambodian people's desire. Comrade General Tie Banh added the most important thing for the Cambodian people is an end to the suffering and particularly the prevention of war and the recurrence of the Pol Pot genocidal policy in Cambodia.

Chea Soth Receives Outgoing GDR Envoy

BK3009140390 Phnom Penh Domestic Service in Cambodian 0430 GMT 30 Sep 90

[Summary] On 28 September at the office of the Council of Ministers, Chea Soth, member of the party Central Committee Political Bureau and vice chairman of the State of Cambodia's Council of Ministers, received Janos Hoffman, acting charge d'affaires of the GDR Embassy in Cambodia, who has successfully ended his diplomatic mission in Cambodia.

On this occasion, Janos Hoffman expressed profound gratitude to Chea Soth for allowing him to pay a courtesy call. The diplomat expressed sincere thanks to the State of Cambodia's party and government for providing him and his colleagues all kinds of assistance enabling them to carry out their diplomatic mission with fine results. He also said the GDR party and government support Cambodia's stance in the search for peace in the country.

Replying, Chea Soth profoundly thanked the GDR party and government for "providing full support and assistance" to the Cambodian people's just struggle.

Hun Sen Receives Red Cross President 26 Sep

BK2909070590 Phnom Penh SPK in French 1121 GMT 28 Sep 90

[Text] Phnom Penh, 28 September (SPK)—On Wednesday [26 September] in Phnom Penh, Hun Sen, chairman of the State of Cambodia's Council of Ministers, received Cornelio Sommaruga, president of the International Committee of the Red Cross [ICRC], who was visiting Cambodia.

Chairman Hun Sen, who is also a member of the Political Bureau of the Kampuchean People's Revolutionary Party, expressed his profound thanks to the ICRC for its assistance to Cambodia since the fall of the genocidal Pol Pot regime, contributing to overcoming the famine left by the Pol Pot clique.

Hun Sen briefed his guest on the development of the current situation in Cambodia, in particular the difficulties faced by the war victims in the country.

In his reply, Cornelio Sommaruga expressed his satisfaction over the broad cooperation between the ICRC and the Cambodian Red Cross Committee and pledged to do his best to help relieve the suffering of the Cambodian people.

Phnom Penh on Kompong Cham Combatants' Actions

BK2909112290 Phnom Penh Domestic Service in Cambodian 1200 GMT 28 Sep 90

[Text] In the third quarter of 1990, cadres and combatants from Kompong Cham Province stationed in Banteay Meanchey Province killed 268 enemy soldiers; wounded 348 others; took two prisoners; destroyed an enemy vehicle, two DK 75-mm guns, and two 51-mm mortars; and seized two AK's and 500 rounds of ammuniton. In the same period, Kompong Cham Province's units received 55 misled persons and 20 weapons, including two Pol Pot soldiers and 53 Son Sann soldiers.

Agriculture Ministry Reviews 1990 Production

BK2909095990 Phnom Penh Domestic Service in Cambodian 0430 GMT 29 Sep 90

[Summary] The Agriculture Ministry recently held a meeting to review the results of the implementation of the 1990 agricultural plan with the participation of Nguon Nhel, member of the party Central Committee Political Bureau and agriculture minister. For two days, 22 and 23 September, the meeting agreed there were many negative phenomena in the implementation of the 1990 plan due to irregular rainfall and prolonged drought in some areas. By the end of September, only 991,000 hectares of rainy season rice, or 51 percent, had been planted nationwide. Only Kratie Province had planted over 23,700 hectares of rice, or over 112 percent of the plan, while Battambang, Prey Veng, and Kompong Thom Provinces had achieved only between 40 and 50 percent of the plan. Kampot Province had achieved over 14 percent of the plan and Kompong Speu Province just over 22 percent.

Urges 85 Percent of Target

BK3009130690 Phnom Penh SPK in English 0423 GMT 30 Sep 90

[Text] Phnom Penh SPK September 30—The Ministry of Agriculture is calling on peasants throughout the country to strive to achieve at least 85 percent of the target set for the monsoon rice cultivation this year.

The appeal was made at a recent working session in Phnom Penh to review this season's rice farming. Reports delivered by representatives of agricultural services from various provinces and cities showed a delay in rice cultivation this monsoon due to unfavorable weather.

In the southwestern and middle parts of the country, the rainy season came later than usual, thus delaying the cultivation. In the western part, torrential rains since May have destroyed a vast area of floating rice and rice seedlings, which compelled the peasants to raise another batch of rice seedlings for transplanting in the late season. Other regions of the country have been affected by a spell of mid-monsoon drought or insufficient rain. On the other hand, the rise in the water level of rivers since June has submerged and ravaged large areas of maize along the river banks.

According to the reports presented at the session, peasants throughout the country have so far grown rice on only half the total of 1.94 million hectares marked off for this monsoon cultivation. The big rice-growing provinces of Battambang, Kompong Thom, and Prey Veng have achieved only 40-50 percent of their plan, while Kompong Speu did 22 per cent and the coastal province of Kampot 14 percent of the plan.

Only the mountainous province of Kratie surpassed its target by 12 percent with 23,700 ha of rice.

Apart from inclement weather, the peasants have also faced a shortage of chemical fertilizer, insecticide, and fuel. In the western border province, the cultivation has been affected by the Khmer opposition troops' harassments, which have dislodged about 7,000 farmer families from their villages and driven them into suburban areas.

To attain the expected target of 85 percent of the total cultivated area, the ministry has urged the peasants to plant short-term rice varieties and subsidiary food crops such as maize and cassava.

During the session the participants also heard reports on forest exploitation, fishing, and animal husbandry. So far this year, forest workers have felled 153,250 cubic meters of timber, or 60 per cent of the yearly plan. In fishing, fishermen netted some 70,000 tons and reared 5,400 tons of fish, topping the plan by 390 tons. Animal husbandry has been increased to a total number of 2.82 million head of cattle, or about 100,000 head more than last year.

The session was also attended by Nguon Nhel, Politburo member of the KPRP [Kampuchean People's Revolutionary Party] Central Committee and minister of agriculture.

126 'Misled' Return in Kompong Thom in Aug

BK2909112790 Phnom Penh Domestic Service in Cambodian 1300 GMT 28 Sep 90

[Text] In August, 126 misled persons returned in Kompong Thom Province bringing along 46 assorted weapons and a quantity of other war materiel. Among the returnees were 70 Pol Pot soldiers and six Son Sann soldiers. The returnees told the local state authorities and people about the hardship and rift among the three groups of reactionary Cambodians and that food and medicine were lacking and people die almost daily.

VODK Questions Survival of Phnom Penh Regime

BK0210031090 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 1 Oct 90

["News commentary": "How Much Longer Can the Phnom Penh Regime Survive?"]

[Text] According to foreign personnel working in Phnom Penh, the Phnom Penh regime is facing a serious economic crisis in a high rate of inflation, a budget deficit, and rising prices of goods. All these are caused by the widespread smuggling of gold, hard currency, and commodities. In addition to this, over 30 percent of the Phnom Penh regime's budget have been spent on the Vietnamese war of aggression and occupation of Cambodia.

In the face of such a situation, people have raised this question: How much longer can the Phnom Penh regime survive?

The Phnom Penh regime officials themselves have acknowledged this problem. Recently, Khieu Kanharit [former editor in chief of KAMPUCHEA newspaper who was dismissed in June 1990] disclosed that if this war continues with the Phnom Penh government continuing to face this economic crisis, within the next few years this regime will no longer enjoy people's support. That is, it will collapse. This is why Vietnam has continued to assist this regime it has installed by hiding its forces, military and civilian, to help manage this regime's state affairs and in further occupying Cambodia. This clearly shows that the Phnom Penh regime has survived and will only be able to survive by depending on Vietnam.

Indonesia

Government Strives To Remain Neutral on Gulf

BK0210044890 Hong Kong AFP in English 0347 GMT 2 Oct 90

[By Alain Boebion]

[Text] Jakarta, Oct 2 (AFP)—The Gulf crisis has brought short-term monetary gains to Indonesia as surging oil prices boost the indebted nation's coffers, but it has also raised concerns over what the economic and political future holds

Indonesia, the world's most populous Moslem nation and Asia's only member of OPEC, has attempted since Iraq's invasion of Kuwait on August 2 to remain as neutral as possible on the issue. The stance continues despite debate here on the presence of U.S. troops in Saudi Arabia, and on the perception of Iraqi President Saddam Husayn, presented by some Moslems here as the new leader of the Arab world. Neither pro-Iraqi nor pro-Saudi, Indonesia has abided by all trade sanctions against Iraq while at the same time reaping the benefits of rising oil prices.

Jakarta turned down Riyadh's request to send troops to the Gulf and is studying the possibility of sending humanitarian aid to Iraq. The Indonesian Government has also proposed serving as mediator in the conflict. On the economic front, the government and private sector have expressed short-term optimism. For every dollar increase in oil prices, the state daily adds more than 500,000 dollars to its coffers.

The current fiscal year budget was calculated on oil prices of 16.50 dollars or about half the present selling price. But economists have warned that long-term effects could outweigh the present benefits.

Mining and Energy Minister Ginanjar Kartasasmita has called twice in the past two weeks for the west to use its oil reserves to stabilize prices. He expressed fears that oil prices of more than 25 dollars would lead to recession in industrialized countries and result in decreased exports of Indonesia's non-petroleum products.

Exports of these products have been growing faster than exports of natural gas and petroleum in the last two years. Exports of non-petroleum goods as of June totaled 5.57 billion dollars, up nine per cent from the first five months of 1989, while exports of gas and petroleum increased 11.6 per cent to 3.84 billion dollars in the same period. Non-petroleum exports have in the last two years accounted for 60 per cent of state revenues, whereas until 1987 petroleum represented Indonesia's main source of export earnings.

The government is also concerned about being forced by OPEC to increase oil production at a time when reserves are declining.

Foreign and Indonesian experts have said that Indonesia will be an oil importer by the year 2000. Jakarta is to boost its oil output to 1.3 million to 1.4 million barrels a day by the end of the year, and to do this it has been forced to reopen old wells, they said.

Another problem facing Indonesia is that it finds itself with surplus revenues when the growing gap between rich and poor is becoming a subject of more and more virulent debate in the nation of 180 million people.

Critics are blaming the government, and family and businessmen close to President Suharto, who is to end his fifth term in March 1993 and whose succession or reelection is currently being debated.

Leaders are tight-lipped about the dispersal of revenue from daily exports of some 700,000 barrels, half of which goes to Japan and the rest to the spot market. Some of them have used the occasion to launch new public or private development projects.

Others, such as Ali Wardhana, the former minister coordinator for economic, financial and industrial affairs and still a close advisor to Mr. Suharto, have suggested that a part of the revenue be used to repay Indonesia's debt. Indonesia has the largest foreign debt in Asia, totaling 50 billion dollars.

Suharto Greets PRC Leaders on National Day

BK0210103190 Jakarta ANTARA in English 0924 GMT 2 Oct 90

[Text] Jakarta, Oct 2 (OANA-ANTARA) - President Suharto on September 29 sent congratulatory messages to President Yang Shangkun and Prime Minister Li Peng of the People's Republic of China (PRC) on the occasion of the commemoration of PRC's 41st National Day on October 1, 1990.

Indonesian Foreign Minister Ali Alatas also sent on the same day a similar message to his PRC counterpart Qian Qichen, an official of the Directorate General of Protocol and Consular Affairs of the Indonesian Foreign Office, Sidharta, told ANTARA here on Tuesday [2 October].

Meanwhile, for the first time since the normalization of RI [Republic of Indonesia]-PRC diplomatic relations on August 8 this year, the PRC charge d'affaires in Jakarta, Liu Xinsheng, who has his office at the Borobudur Hotel, told reporters that he planned to organize a dinner party to commemorate PRC's 41st National Day at the Borobudur Hotel on Tuesday.

Paper Says Communism Still 'Latent Threat'

BK0110082590 Hong Kong AFP in English 0728 GMT 1 Oct 90

[By Endy Bayuni]

[Text] Jakarta, Oct 1 (AFP)—Communism is still a latent threat in Indonesia, the military warned Monday on the 25th anniversary of the abortive coup blamed on the outlawed Communist Party of Indonesia (PKI). The ANGKATAN BERSENJATA (Armed Forces) daily said the anniversary should be an occasion to "renew our resolve to continue vigilance against extremist groups, especially the PKI remnants who are a latent danger." Such resolve should be especially demanded of young people who do not remember or were not yet born at the time of the communist rebellion, the daily said in an editorial.

President Suharto, who led the army in crushing the communist movement and rose to power in the wake of the bloody events, led a remembrance ceremony at the Lubang Buaya (Crocodile Hole) monument here, the site said to have been used by the PKI as their base to launch the coup 25 years ago.

It was here that the mutilated bodies of six generals, including Army Chief of Staff Achmad Yani, kidnapped in the early hours of October 1, were thrown down a disused well.

The coup failed the same day when the army, under the command of then-Major General Suharto, moved to crush it. The PKI, at the time Asia's second largest communist party after China's, was banned six months later after a crackdown believed to have claimed up to 500,000 lives.

The ANGKATAN BERSENJATA editorial said that although communism had lost ground in Europe, "Asian communist regimes hold their forts" and "therefore their mental attitude has not changed," adding that the same might apply to remnants of the PKI. Observers said this was a clear reference to China, which Indonesia had accused of supporting the PKI's 1965 bid for power, leading to the freezing of diplomatic ties in 1967. Ties were restored last month during the visit here of Premier Li Peng. Mr. Suharto is expected to return the visit in November, diplomats said.

Since 1965, October 1 has been commemorated as the day of victory over the communist threat, and officially known as sanctity day of Pancasila, the state ideology. Red-and-white national flags were fully hoisted throughout the country Monday to mark the anniversary after flying at half-mast on Sunday to respect the slain generals.

Education and Culture Minister Fuad Hassan, in a speech televised nationwide by state-owned TVRI, said the commemoration was vital to "refresh our memory so that the nation can find wisdom and learn valuable lessons from the history."

The government this month will start to screen some 1.5 million former PKI members or sympathisers to decide whether to allow them to vote in the next general elections in 1992. Most of them, many released only in the late 1970s after long periods of detention, were enfranchised in 1987, but officials said a new screening was necessary to test their loyalty to the state.

Mr. Suharto made no speech at the short, muted ceremony at which Parliamentary Speaker Kharis Suhud recited the five Pancasila tenets—belief in one god, humanitarianism, national unity, democracy and social justice—and Mr. Hassan read the preamble to the 1945 constitution.

Mr. Suharto later toured the Lubang Buaya complex and talked quietly with the widows and families of the six generals while a chorus of schoolchildren sang patriotic songs.

Military Frees 140 Aceh Secessionists 28 Sep

BK2909072190 Jakarta ANTARA in English 0617 GMT 29 Sep 90

[Text] Medan (N. Sumatra), Sept 29 (OANA-ANTARA)—Military authorities in Aceh during a ceremony at Lhok Seumawe on Friday [28 September] released 140 members of the trouble maker gang (GPK) involved in various criminal acts in the province recently.

The release of the detained gang members was marked by the handing over of the list of the names of the GPK members by the first (Bukit Barisan) military commander, Major General H.R. Pramono to Aceh Deputy Governor Teuku Johan who then presented the list to the district heads of Aceh Pidie, North Aceh, and East Aceh. Those GPK members were coming from the three districts in the province of Aceh and they have pledged their allegiance to the 1945 Constitution and the state ideology Pancasila and to return to the fold of the motherland. They also pledged that they would fight hand in hand with the authorities against the trouble makers in the province.

On that occasion, Gen. Pramono said they were released after they have shown their allegiance to the government, the Pancasila, and the 1945 Constitution. He believed that after returning to the fold of the motherland, the former members of GPK would be able to make positive contribution to the development of Aceh.

All the people are joining hand with the government apparatuses and the Indonesian Armed Forces (ABRI) against those who are against the Pancasila and the 1945 Constitution, he insisted. Their release was also in conjunction with the upcoming commemoration of the Pancasila sanctity day which falls on October 1.

The ceremony was also attended by local government and military leaders as well as Chairman of the Aceh Chapter of the Indonesian Council of Ulemas (MUI) Prof. H.A. Hasymy

Laos

Official Discusses New Constitution, Congress

BK0210021490 Hong Kong AFP in English 0144 GMT 2 Oct 90

[By Jean-Claude Chapon]

[Excerpts] Vientiane, Oct 2 (AFP)—Communist Laos is to soon have a constitution that will make market forces the cornerstone of economic planning, officials and diplomats here said. The document will institutionalize a market economy in this tiny Indochinese nation while maintaining the present one-party political system, Laotian officials said.

The draft of the constitution is to be discussed before the end of the year by the country's nominal parliament, the Supreme People's Assembly, the officials said. [passage omitted] The party is also preparing to hold its 5th congress during which there are likely to be reorganizations in the Laotion political system, according to observers here. "The party is currently in a phase of discussions on the next congress and will soon call a prepatory meeting of the central committee," Mr. Khamsay said.

He refused to reveal the dates of the congress, which must be held during the course of the next year. The last congress was held in 1986, when Laos launched its economic reforms.

"Before the events in socialist East Europe, Laotian communism was seen as relatively tame, and it would be hard to imagine that it will remain totally isolated by the liberalization movement there," another western diplomat said.

The diplomat said that there were only several dozen political prisoners remaining in Laos after the release in recent years of some 15,000 people jailed after the former government fell and the communists took over.

"There is no discrimination between officials of the former government and us and they can often return to the positions they had previously," the deputy minister said. "Political refugees can also return to the country and emigration has almost totally stopped," he added.

But anti-communist guerrillas continue to fight in the northwest of the country on the Thai border, creating unrest in regions largely populated by the Hmong.

Phoumi Vongvichit Greets PRC's Li Xiannian

BK0210093090 Vientiane Domestic Service in Lao 1200 GMT 1 Oct 90

[Text] On 27 September 1990 Comrade Phoumi Vongvichit, member of the Lao People's Revolutionary Party [LPRP] Central Committee Political Bureau and chairman of the Lao Front for National Construction [LFNC], sent a message of greetings to Comrade Li Xiannian, chairman of the Chinese People's Political Consultative Council [CPPCC], Beijing. The message reads as follows:

On the occasion of the 41st anniversary of the PRC, 1 October, on behalf of the LPRP Central Committee and the multiethnic Lao people, we would like to convey warm greetings and best wishes to the Presidium of the CPPCC and all Chinese people.

Throughout the past 41 years, or since the founding of the PRC, under the talented and clear-sighted leadership of the CPC, the entire Chinese people have unitedly and effectively carried out tasks and have scored great victories and achievements in the cause of building and defending the country. They have achieved progress in effecting new changes, as a result of which the socioeconomic establishments have been increasingly developed.

Fulfilling the international obligations by rendering support and assistance to the Lao people as well as other peace- and justice-loving people, you comrades have positively contributed to safeguarding peace and stability in Indochina and the world. Following the fulfillment of the international obligations, the roles and prestige of the PRC have been raised to an ever higher level in the international arena.

The LFNC and the multiethnic Lao people throughout the country are proud and jubilant over the great successes achieved by the fraternal Chinese people and regard those successes as our own. We would like to take this glorious occasion to express profound gratitude to the party, the government, the CPPCC, and the fraternal people for having always given assistance to the Lao revolution.

I wish the CPPCC and the fraternal Chinese people new, ever greater achievements in implementing the resolutions of the CPC congress with beloved and respected Comrade General Secretary Jiang Qemin as head. I also wish for the further development and longevity of the close friendship, solidarity, and good relations between the LFNC and the CPPCC.

Phoun Sipaseut Greets Cambodia's Hor Nam Hong

BK2909093290 Vientiane Domestic Service in Lao 1200 GMT 28 Sep 90

[Text] Phoun Sipaseut, foreign affairs minister of the Lao People's Democratic Republic [LPDR], on 25 September sent a greetings message to Hor Nam Hong, foreign affairs minister of the State of Cambodia, Phnom Penh. The message reads:

On the occasion of your appointment as foreign affairs minister of the State of Cambodia, on behalf of the LPDR Government and in my own name, I would like to convey to you, Comrade, warm greetings and best wishes.

Based on your rich experiences and lessons in carrying out the work in the diplomatic field, I am convinced that you, Comrade, will be able to achieve glorious success in performing this important and heavy duty as entrusted by the party and state in order to contribute to the cause of safeguarding peace, security, and cooperation in Asia and the rest of the world.

I am firmly convinced that with your contribution, the long-standing relations of fraternal friendship, special combat solidarity, and all-around cooperation between Laos and Cambodia as well as among Laos, Cambodia, and Vietnam will be increasingly developed and strengthened ever more fruitfully with each passing day. I wish you, Comrade, good health and success in performing your noble tasks.

Welfare, Communications Ministers Visit France

BK0110101190 Vientiane Domestic Service in Lao 1200 GMT 29 Sep 90

[Text] On 27 September 1990, Dr. Khamliang Phonsena, minister of social welfare and war veterans and chairman of the Lao Red Cross Society, left Vientiane for a visit to the French Republic, at the invitation of Mrs. (Sophina de Croix), chairwoman of the French Red Cross. As an alumnus, Dr. Khamliang Phonsena has also been invited to attend a commemoration ceremony marking the 100th anniversary of the naval medical training school in Bordeaux. He will also attend the celebration of the tropical medical day to be organized in that city.

A further report has disclosed that from 17 to 27 September Seun Phetsanghan, deputy minister of communications, transport, posts, and construction, also visited the French Republic at the invitation of the French Government. The purpose of his visit was to make preparations for the Lao-French cooperation projects on the work of the ministry.

French Organization Assists Saravane Province

BK2909125290 Vientiane KPL in English 0901 GMT 29 Sep 90

[Text] Vientiane, Sept 29 (kpl)—At the beginning of this year, the public health service of Saravane Province received 500,000 U.S. dollars aid from a French organisation, "Medecins Sans Frontieres".

This is to contribute to the developement of health care facilities in the province, in particular in Saravane District and Senvang village.

The service is now upgrading the province's 100-bed hospital and continuing the training courses for meical personnel in various local health stations.

Sali Vongkhamsao Meets With ADB Official

BK0210133390 Vientiane KPL in English 0919 GMT 2 Oct 90

[Text] Vientiane, October 2 (KPL)—Sali Vongkhamsao, vice-chairman of the Council of Ministers, minister of economy, planning and finance, yesterday received here Il Yong-chuk, vice-president of the Asian Development Bank [ADB], who is on a current visit to Laos.

The two personalities, on the occasion, discussed the ADB assistance and cooperation to Laos over the years and in the immediate future. Especially, Sali Vongkhamsao voiced his appreciation over the result of the ADB assistance in the socioeconomic development of Laos.

He also expressed hope that Laos would receive more the same from this financial institution.

Phoumi Vongvichit Greets Cuban Committee

BK2909130290 Vientiane KPL in English 0904 GMT 29 Sep 90

[Text] Vientiane, Sept 29 (KPL)—Acting President of the Lao PDR [Lao People's Democratic Republic] and President of the Central Front for National Construction [CFNC] Phoumi Vongvichit recently extended a message of greetings to the national coordinator of the Cuban Committee for Revolutionary Defence, on the occasion on the 30th founding anniversary of the committe.

The CFNC president acclaimed the 30 year victorious activities of the Cuban Committee for Revolutionary Defence in rallying the Cuban people of all strata into the successful national development and in the defence of the socialist post in the first valiant territory in the American continent, a contribution toward the increased strength of socialism, peace and stability in the region.

The CFNC president wished the solidarity, fraternal friendship and all-round cooperation between Lao and Cuban peoples be increasingly developed.

Nouhak Phoumsavan Receives Thanks From Mongolia

BK0110121290 Vientiane KPL in English 0914 GMT 1 Oct 90

[Text] Vientiane, Oct 1 (KPL)—Nouhak Phoumsavan, president of the People's Supreme Assembly [PSA] of the Lao PDR [Lao People's Democratic Republic] recently received a message of thanks from Jambyn Gombojab, president of the People's Great Hural of the Mongolian People's Republic.

The Mongolian leader thanks the Lao PSA president for the congratulations on the occasion of his election to the post.

Philippines

U.S. Marines Detained for Hitting Barricade

HK0210095990 Manila Manila Broadcasting Company DZRH in Tagalog 2 Oct 90

[By Eloi Aquino—italicized portions in English]

[Excerpts] Two American servicemen were detained today by authorities in Clark Air Base for knocking down a barricade set up by striking Filipino base workers in the military base.

Clark Air Base deputy commander Brigadier General Demetrio Camua said that the incident occurred at 1000 this morning in front of Clark Air Base, but the identities of the two U.S. servicemen are not yet known. No one was reported injured in the incident and the investigation continues:

[Begin recording] [Unidentified speaker] *There was a minor incident this morning, at about 10 o'clock. You know, we have a gate at the northeastern part of the perimeter which we call the Mabalacat Gate. This is supposed to be open for military use. You know, we are sending some troops to O'Donnel, John Hay, and to Wallace. And this morning, two marine vehicles, the armored type, were driven by two U.S. marines and they were in a hurry to go out, but a group of strikers were blocking the way.*

So, when they cleared the area, the Marines thought that it was all clear and they went through and hit the tables.

[Reporter] What tables?

[Unidentified speaker] Some tables. We searched for somebody who might have been injured but there was none or *up to this time we could not locate any, anybody who was harmed. But we have the two marines in our custody and we are investigating them regarding that incident.* [end recording]

Meanwhile, a total of three U.S. Marine servicemen have now been arrested by Clark Air Base authorities and are presently undergoing investigation after driving through a picketline of striking Filipino base workers at Clark Air Base's Mabalacat Gate in Pampanga. The number of injured workers could not be determined yet.

Based on a report received at Camp Aguinaldo from Brigadier General Demetrio Camua, the Cabcom [Clark Air Base Command] deputy base commander, arrested were Lance Corporal Gary Motler, SGT [Sergeant] David Akers, and SSGT [Staff Sargeant] Matthew Starin. Gary Motler was with Staff Sergeant Starin, who was driving, while the driver of the other armored vehicle was Sergeant David Akers. [passage omitted]

Camua said that the Cabcom authorities and labor leaders headed by Pepito Galang agreed that the Mabalacat Gate will stay open to any U.S. and Philippine military vehicles. However, at 1000 this morning, it was learned that the gate had been blocked by workers.

Camua explained that operations in the military base are not paralyzed due to U.S. capability to deploy its special units to continue operations even without the help of the civilian employees.

Filipino workers in Subic Naval Base are also mounting pickets to demand a salary increase which was rejected by the U.S. Congress.

Conflicting Details Reported

HK0210120390 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 2 Oct 90

[Text] Three U.S. soldiers drove through picketing Filipino workers at a military base. The incident occurred in Clark Air Base in Pampanga at 1000 this morning. The commander of the Clark Air Base command, Brigadier General Demetrio Camua confirmed the incident. According to Camua, the U.S. Marines used six big trucks in breaking up the picketline of the striking Filipinos at the Mabalacat Gate in Clark Air Base. One striker was seriously wounded and identified as Romeo Vergara of Dolores, Mabalacat, Pampanga while six others were also hurt, though not seriously.

Manglapus Says No Understanding Yet on Bases

HK2809103990 Manila THE MANILA CHRONICLE in English 27 Sep 90 p 5

[Foreign Affairs Secretary Raul Manglapus interviewed by Marites Sison-Paez at the Plaza Hotel in New York; date not given]

[Text] **Is there any chance for an agreement on the bases at this stage when both sides seem to have irreconcilable positions?**
Well, that is the wisdom of doing the negotiation in a series. We cannot settle everything in one sitting. We have to go back and consult. I think what we're doing is wise—sit down, break up, sit down, and talk again.

Have you reached any agreement on any issue already?
I dont' think it can be said that we have reached any agreement at this point. Not an understanding even.

How far apart are your positions?
Well, you know we took a very firm position on Clark. I don't know whether they expected it to be quite as categorical. They probably suspected about this. As a matter of fact, it has been pointed out that one of the sources of this notion that they should withdraw from Clark is Washington itself. You know there were reports coming out of Washington saying the United States was ready to do it.

Did you sense that they were surprised by the move?
Well... (off the record)

Is the U.S. intransigent about its position?
I dont't think that can be said because otherwise there would be no point in continuing to meet, I think it's a matter of adjusting.

Does the Philippines find the U.S. position of a phase out within an undetermined period non-negotiable or what?
Well, they don't even call it a phase out but a phase down.

What's the difference between a phase out and a phase down?
Well, actually there is no hard conflict because we have always talked about—even the Abueva committee, even some senators—talked about commercial arrangements, so what they are looking forward to is that after a certain period, even when they go, they will still have access, which is pretty much what they have had in the past. For instance even in Singapore they have been repairing ships there. For that matter, even the Soviets used to do that. That is what they mean by access.

How do you find that position?
If it's on a commercial basis where we service not only the U.S. but other ships, why not? What is the point being made by other people like some senators, even the Abueva committee.

Let me clarify: What the U.S. is proposing is not just commercial access?
I think they see that after a period where they might be allowed to phase down as they say, at the end of that period, what they want to say is, they don't want to go away forever. They want to be able to come back once in a while to repair, and that's what they mean by access, which is what they've had in other ports before.

So that's acceptable as far as we are concerned?
If it's a straight commercial thing, why not?

But are they really just asking to use it for commercial purposes only, with no military aspects?
No, no. If it's just repair, then its somthing that can be arranged.

What other proposals has the U.S. side made?
Well, in general that is what they mean, they want access.

Are they not asserting anymore that the bases should stay?
No, I think they have probably given up that idea of staying forever the way they are now.

What about their position on our move to take control over Clark?
Well, they haven't responded yet but....

So both sides are studying their positions now.
Well, as far as Clark is concerned, we have nothing to study because we have already taken out position, but as far as Subic, that is what we have to speak more in detail about. So there will be technical level talks now on various aspects like trade, science and technology and including the facilities.

What exactly is our position on Subic?
Well, unlike Clark, we are not asking them to let us take over right away. We are considering a phase down. Now, Subic—and the President has increasingly talked of this thinking that the stay of the U.S. in Subic phase down if you will, must now be viewed in the context of the regional understanding.

How will the Philippines involve the region?
We are to sit down and talk. You know, Singapore has already been involved in it directly and the others will have to indicate their position. We are now preparing sort of technical academic level papers.

But why are we involving the region in what is otherwise an internal affair?
Because the claim of the U.S. is that they are in the Philippines for the region, so we want to know what the region has to say, and already they have spoken out but they speak extra-officially. We want them to sit down and tell us what they want.

What has their response been?
Well, my proposal was accepted in Jakarta, so in principle they agree to dialogue. Now, what time, when, where is something else. We haven't decided that.

Is the U.S. amenable to this move?
I don't think they object to it, they have not expressed any opposition to it.

What was the mood in your talks?
Ah, reasonably positive. In other words we're not saying to ourselves: Well, we want Clark back, we'll never give it up so I don't think we can arrive at any position.

What did Armitage say when you said the Philippines wanted control of Clark?
They know that if they don't give back Clark then the talks are finished. No more talks, and they would have to go in both places.

So they are the ones who should be flexible?
The ball is in their court.

But they have agreed to a broad treaty already?

Ah, yes definitely. You know, from the very beginning in May, they accepted that concept. They are agreeable and they take seriously—in fact they agreed to my suggestion in the agenda that we talk first about trade before we even talk about the facilities. If they had refused, I think we wouldn't even have gone ahead with the talks. But they were open-minded from the very beginning—although we were watching how serious their open-mindedness was. For instance, if they had said, we'll take about it, but now let's talk about the facilities," we might have suspected that they were not reaily serious. But they came prepared to talk, and are agreable to a more precise focus on these things. So they are now preparing a team in Washington.

If I may go back to Subic, what type of arrangement do we want there? What's the period that we will agree to under a phase down?
The period after 1991? That has not yet been agreed upon.

What are they proposing?
A number of years.

How many, five, 10 years?
About 10. There's been no fixed number of years yet, but that's the range.

Do you find that acceptable?
No, we haven't accepted anything yet.

The Abueva committee is saying a phase out would be over a 10-year period.
Well, the Abueva committee—there was a misleading headline in one newspaper (not the CHRONICLE) on the very morning we were going to sit down that it will take 10 years to convert. That is misleading. The Abueva committee begins from the premise that the Americans will be out on September 16, 1991 in both Clark and Subic.

But over what period?
Now, that is a flexible thing, it depends on availability of funds, the speed of construction and all that sort of thing. But the framework is there already. It starts from the assumption that the Americans will be out.

What about the other issues on criminal jurisdiction, compensation, etc. Are these being discussed now that the MBA is about to expire next year?
Not with regard to Clark [military bases agreement], that's no longer necessary.

But with Subic.
When the time comes, we'll talk about it.

Aquino 'Virtually' Accepts Limited Use of Subic

HK0110050990 Manila THE MANILA CHRONICLE in English 1 Oct 90 pp 1, 8

[By Lito Zulueta]

[Text] President Aquino has virtually acceded to the United States' request for the limited use of Subic Naval Base after the bases agreement ends next year. "The matter of Subic base is negotiable," the President said in a recent interview with the Japanese newspaper 'ASAHI SHIMBUN'. "But in so far as the duration of their continued stay in Subic is concerned, this matter will still have to be discussed and will probably be discussed in next month's talks."

The Philippines and the U.S. adjuorned talks last month on the fate of the largest U.S. military installations overseas. During the talks, the U.S. proposed a "phasedown" of Subic after the Philippine panel declared it wanted to assume "sovereign control" of Clark Air Base and four smaller facilities, save for Subic. "Phasedown" is largely interpreted as continued use of the naval base by the Americans although on a progressively reduced scale.

Asked by 'ASAHI' if the Philippines also wants to assume "sovereign control" of Subic, Mrs. Aquino replied: "No, no. It does not. It's Clark Air Base and the four smaller bases."

Mrs. Aquino also pointed out that instead of a phaseout, the Americans used the word "phasedown" regarding their use of Clark. "They would like to stay anywhere from 10 to 12 years," she said, adding that the matter will be discussed when the two panels resume their talks this month.

The President stressed that she wants the talks to be over by January, reiterating that the Philippines would call off the talks whether or not the two panels come to an agreement by that time.

A Legislative-Executive council is preparing conversion plans for the installations that could be implemented by Sept. 16, 1991, when the bases accord expires.

Earlier, Health Secretary Alfredo Bengzon, vice chairman of the Philippine panel, said that the government is eyeing Clark to be a civil aviation complex that could be used by the U.S. Air Force on a commercial basis. Bengzon said that the Philippines has proposed a "combined use" of Clark by both the Philippine and U.S. air forces by Jan. 1, which he said should pave the way for the "civilianizing" and "Filipinizing" of Clark and four smaller facilities—Camp John Hay, Camp O'Donnel, Camp Wallace and the San Miguel radio station—when the bases agreement expires in September 1991. He also indicated that Clark would be open to commercial use for the military cargo of other nations, saying that the Philippines cannot shield itself from the "age of multilateralism."

Laurel Supports Eight-Year Phaseout of Bases

HK0210035390 Manila THE MANILA CHRONICLE in English 2 October 90 p 7

[Text] Vice President Salvador Laurel, declaring a definite stand on the U.S. bases, yesterday batted for an eightyear phaseout that would terminate with the centennial anniversary of the Philippines.

He clarified his earlier stand on a five-to-10-year phaseout of the bases, which was not far from the 10-year "phase-down" proposed by the U.S. governmnment during the second round of negotiations last month, but clashed with the government's stand of a termination when the treaty expires Sept. 16 next year. "I favor an eight-year phaseout of the bases that will terminate in 1998," Laurel told the Kapihan sa Manila [Coffee of Manila] breakfast forum . He said the termination of the bases agreement, if timed with the centennial of the country, would be a fitting end to the American presence.

The eight years, Laurel said, should be considered a grace period to facilitate the smooth turnover of the bases to the Philippine government. "This is not unconstitutional because this will not extend the agreement; the period is terminating. No treaty is even needed," Laurel explained. He said that the proposed arrangement is "fair and realistic" and should be considered because of the friendly relations of the two governments.

In the interim, the vice president proposed that the U.S. government be asked to give non-cash assistance like the modernization of the Philippine navy which is vital to an archipelago like the Philippines. He said, it is also important for the U.S. government to grant the Philippines export quotas, especially in sugar and coconut products.

Laurel's position also differs from the position of his Nationalista Party which is for an immediate abrogation of the bases.

With regard to the peace initiave of the government, the vice president said amnesty should be granted to military rebels to help consolidate the Armed Forces. "We should consider first the rebels from the military," he said because this would unite and strengthen the Armed Forces which is the country's main support.

Laurel also urged the government to make special oil supply arrangements and provide adequate financing facilities to offset soaring world crude prices if a shooting war breaks out in the Middle East. Laurel, who heads the multisectoral crisis committee, told Mrs. Aquino in a letter that the government must also institute "draconian austerity measures," like a well-planned fuel and electric rationing program.

Senate Urges Opening Shipyard Near Subic Base

HK0110134390 Manila THE MANILA CHRONICLE in English 1 Oct 90 pp 1, 8

[By Johanna Son]

[Text] The senate committee on foreign relations has endorsed a resolution urging the government to allow the entry of foreign ships needing repairs at a state-run shipyard near the Subic Naval Base. The committee, through Resolution 591, called on the Subic base command to review its position in refusing, for security reasons, to give clearances to vessels, especially those coming from socialist countries.

Because of the policy, the Philippine Shipyard and Engineering Corp. (Philseco) at Cabangon Point, Barangay Cawag in Subic, Zambales has become a "losing proposition" because it could not attract many customers, the committee said.

"The pinpointed culprit in the failure of Philseco to get ship-repair contracts is the Subic Command, (which) allegedly refused, on many instances in the past, to issue the necessary clearance... if these vessels are from socialist countries or from such other countries which, in the perception of said Subic Command, are not friendly to the United States of America," it added.

The resolution, authored by Sen. [Sentor] Orlando Mercado, said there was an "urgent need" for the Subic Command to evaluate its policies in granting clearances to ships, so the Congress could pass remedial legislation.

Philseco is a joint venture of the National Investment Development Corp. (NIDC) and Japan's Kawasaki Heavy Industries Ltd., which had agreed that the ship-repair facilities cannot be used for military purposes.

In its hearings, the committee, chaired by Sen. Leticia Shahani, learned that ships plying the Asia-Far East routes have proceeded to Singapore for servicing because of Philseco's strict regulations. Philseco gets up to $4 million in projects from the U.S. But lost revenues can be gleaned from the $50 million earned yearly by Singapore from servicing Soviet ships.

The Department of Foreign Affairs [DFA] has brought up before the Cabinet the possibility of a more liberal access to Subic Bay by foreign vessels. But the defense department said the issuance of clearances should be made on a case-to-case basis.

Since 1986, the state-owned Maritime Industry Authority (Marina) has officially supported Philseco's desire to service Soviet commercial vessels. But in 1987, the DFA said that the Philippine policy toward Soviet ships was to allow their servicing in all Philippine shipyards, except that of Philseco's in Subic Bay. Manila has plans to privatize Philseco after increasing the volume of its business by servicing other foreign ships. Japan, however, wants government-to-government consultations before privatization pushes through, since it provided the loan for the shipyard's construction.

Shahani said the government should be more liberal in allowing the entry of foreign ships into Subic Bay because of the state policy of strengthening Philippine ties with all countries.

Laurel Urges Specialist To Monitor Mideast

HK0110120190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 1 October 90

[Italicized portions in English]

[Text] Vice President Salvador H. Laurel has suggested to President Aquino the appointment of a special representative to monitor the events taking place in the Middle East where there are thousands of Filipinos working and residing. In a letter sent to Malacanang, Laurel said the representative should have the highest diplomatic rank and must be responsible for the entire area affected by the crisis. According to Laurel, this representative must send reports and proposals to the office of the president to answer the needs of Filipino workers.

Meanwhile, Laurel also said the government must spearhead austerity measures to rise above the crisis and avoid the total collapse of our economy as a result of the Middle East crisis. Laurel forsees two possibilities taking place in the Middle East: war breaking out and the prolonging of the current situation similar to the cold war. Neither possibility will contribute anything good to the Philippine situation. Let us find out the details of Vice President Laurel's proposals.

[Begin Laurel recording] *We propose that we look into a well-planned, well-studied fuel and rationing program.* This should be studied right now. We must be ready as to how to ration gas when the oil supply becomes tight. Secondly, *we should start already negotiating for a negotiated debt moratorium.* Let us talk to the IMF and World Bank. They might agree to easier terms because we really are short on funds. *Third, we should start already preparimg for an exchange and import control.* We really should tighten our imports of luxury items that are unnecesarry *in order to survive. We should limit it to essential or necessary items.* [end recording]

Laurel further added the president may just put aside such unsolicited advice. He said, however, he will continue giving suggestions, as he is only doing his duty.

DFA Denies Knowledge of Workers Opposing Iraq

HK0210085490 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 2 Oct 90

[Text] High-ranking officials from the Department of Foreign Affairs [DFA] have denied any knowledge concerning reports of 50 Filipino workers who have joined the Kuwaiti underground resistance movement against Iraqi President Saddam Husayn and his soldiers. According to Foreign Affairs Assistant Secretary for International Labor Relations Israel Bocobo, his office has not received any reports concerning such incidents in the Middle East. Ambassador Bonifacio Aribas, director-general of the Office of Middle East and African Affairs, said they only learned about the 50 Filipino workers who are currently employed as mercenaries through newspaper reports. However, Bocobo said they would investigate the alleged report through the DFA's official channels.

Taiwan Proposal for Travel to PRC Considered

HK0110051790 Manila THE MANILA CHRONICLE in English 1 Oct 90 p 1

[By Lito Zulueta]

[Text] The Philippines is considering a proposal by Taiwan to make Manila a transit point for Taiwanese businessmen and tourists bound for mainland China. But the Department of Foreign Affairs [DFA] is wary of China's reaction on the proposal, citing Beijing's complaints in the past about Manila's meetings with Taiwan officials, which it considers violations of the one-China policy.

The transit-point proposal was bared in a DFA paper on Philippines-Taiwan, issues submitted to Cluster E, the Cabinet committee on political and security development. A copy of the paper was obtained by the CHRONICLE from an official source. "The Department will need to ascertain the Chinese view and cooperation on the proposal," the DFA paper said.

The paper added that the foreign office will also coordinate with the Commission on Immigration and Deportation, the Department of Tourism and the Philippine Convention and Visitors Corp. "to come up with a well-packaged transit program."

But the DFA said that in view of the "official hurt" expressed by the Chinese ambassador over the recent visit to Manila of Taiwan's economic minister, "the department feels it advisable to allow the situation to cool down a bit before consulting the Chinese ambassador about the new proposal."

An official of the National Security Council told the CHRONICLE that the proposal would allow Manila to compete with Hong Kong, ordinarily the transit point of Taiwanese going to the mainland, for tourism and commerce. "This will be economically good for the Philippines," the official said, citing the windfall benefits to Philippine tourism of Taiwanese businessmen staying overnight in Manila hotels. The official added that Philippine authorities expect no resistance from China inasmuch as the issue is "peripheral to them."

Earlier, the CHRONICLE reported that the DFA had drafted a bill that would protect foreign firms of territories not recognized as states by the Philippines in a bid to attract more investments from Taiwan without violating the one-China policy. The bill was derived from the Foreign Corporations Act of Australia, which grants foreign firms of territories not recognized by Australia formal status in Australian courts. The Australian law does not mention investments from Taiwan but was passed by the Australian parliament mainly to strengthen its economic relations with Taiwan. Like the Philippines, Australia also observes the one-China policy.

Aquino Urges Continued Operations Against Noble

HK0210075390 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 2 October 90

[Text] President Aquino has indicated she will not ask the military to stop its operations against renegade Colonel Alexander Noble. This was the president's reaction to requests made by several congressmen from Mindanao for a stop to the operations against Noble because of its effects on the people of Agusan del Sur. The president stressed that during this time, rebels must not be allowed to reign above the law.

Panel Rejects Proposal on Talks With Left

HK0210035790 Manila THE MANILA CHRONICLE in English 2 October 90 p 1, 6

[By Bert Castro and Lito Zulueta]

[Text] The government panel yesterday rejected the proposal of peace advocates to include the U.S. bases, agrarian reforms and the oil price increase in the proposed peace talks with the Left.

Justice Secretary Franklin Drilon, head of Cabinet Cluster E on political and security affairs, however, advised the peace group led by Sen. [Senator] Wigberto Tanada to refer the issues to the multisectoral consultative group. President Aquino had convened the group to handle critical problems facing the country. "I do appreciate that lasting and permanent peace requies answers to these problems. But those issues should be addressed in another forum," Drilon told the peace advocates. Drilon also rejected the Tanada group's propsal for the military to hold off any retaliation against Communist rebel attacks so as not to endanger the peace process.

Press Undersecretary Horacio Paredes told CHRONICLE that Tanada and Church leaders had asked the armed forces to take a "defensive posture" against possible communist attacks in areas where the government had declared a unilateral "suspension of hostilities." The Armed Forces Chief of Staff, Gen. [General] Renato de Villa, a member of Drilon's panel, was quoted by Paredes as saying that "any movement by the (rebels) would merit military action."

The communist offensives are expected since the chief of the New People's Army [NPA], Romulo Kintanar, issued a statement last week cancelling an earlier ceasefire declared by the rebels.

Presidential Assistant and Peace Commissioner Edilberto de Jesus, another member of the Drilon panel, said that he had talked with Satur Ocampo, a detained leader of the National Democratic Front [NDF], on the Kintanar statement. Ocampo, according to de Jesus, said that the rebel leadership could have been wary of the same problems they encountered when they held peace talks with the government in late 1986. The negotiations collapsed after two months.

"All kinds of charges and counter-charges were thrown at each other because there were no clear grounds for possible agreement," de Jesus quoted Ocampo as saying. De Jesus added that Ocampo also blamed the breakdown of the talks on "differences in the terms" used by the NDF and government at that time.

While the government called the truce a "suspension of military offensives," the NDF was using "ceasefire," the presidential assistant said.

Ocampo also reportedly said that Kintanar might have been reacting to the government position that while it was observing a truce of sorts, if would still go about its law-enforcement functions in the affected areas. But de Jesus said he pointed out to Ocampo that the government declaration did not mean a "grant of immunity to the rebels in cease they violate laws." De Jesus told CHRONICLE that the truce areas had not been established to provide "some kind of sanctuary to the rebels."

To avoid another round of aborted talks, Paredes said that the government and the peace advocates would draft a proposed framwork for the peace process in case the rebels decide to hold talks again. To draft the government version will be de Jesus and Defense Undersecretary Eduardo Ermita, Paredes said. To draft the version of the peace advocates will be educator and human-rights activist Maris Diokno and forme Agrarian Reform Secretary Florencio Abad. Both panels will meet again on Oct. 12 to draft a final framework, Paredes added.

Military Says Uncovers Coup Plot in Davao City

HK2909080390 Manila THE MANILA CHRONICLE in English 29 Sep 90 p 10

[By staff member Manny Mogato]

[Text] The military has uncovered a plot by Right-wing rebels to take over Davao City and the provinces of Misamis Oriental and Agusan del Sur this weekend to pave the way for a civilian-military council in Mindanao, a senior armed forces official said yesterday. The assassination attempt on Local Government Secretary Luis Santos, who was reportedly in Davao to help avert the planned uprising, was a apparently part of the rebels' plot, the same official added.

Intelligence reports and rebel documents showed that a four-phased plan included the seizure of the Davao City's legislative building and the local Central Bank office. The official added that some military units were apparently supporting the plot, which meant that the rebels need not take over some Davao camps. There are six army battalions assigned in the province aside from a Constabulary special action force trained as an anti-terrorist squad.

The documents showed the rebels were planning to create a civilian-military governing council, control the socio-economic and political life of the "new order," and restore the social order of a "new political system." The military said it had already identified some military units in Mindanao which were supposed to take over local government units in Davao.

Intelligence reports said the objective of the planned Davao rebellion was to ease the military pressure on renegade Col. [Colonel] Alexander Noble, so he could make his own moves. The military rebels appeared confident that Davao would be their bailiwick, according to a senior Camp Aguinaldo official.

He said the rebels planned to start their rebellion last Wednesday to coincide with the general strike by Davao City's drivers, students and workers. A protest by drivers and workers against oil price increases last Monday had paralyzed Davao City. But the plan was put off when a marine battalion was sent there from Manila in anticipation of the uprising. Brig. Gen. [Brigadier General] Ramberto Saavedra, the AFP [Armed Forces of the Philippines] civil relations chief and a former army commander in Davao City, went there Thursday to assess the situation. Saavedra was set to return to Manila today, but sources said he may have to stay in Davao for a few more days because of the tense situation in the city.

Rebel Officer Padua Denies Bombing Charges

HK0110133990 Manila PHILIPPINE DAILY INQUIRER in English 1 Oct 90 p 1, 8

[By Fe B. Zamora]

[Text] The fugitive Army lieutenant [lt] held responsible by military for the bombing of two five-star hotels in Makati eight days ago denied the charges yesterday, saying the false accusations were part of an all-out "smear campaign" against the rebel movement.

First Lt. Renato Padua made the denial in a telephone interview with the INQUIRER yesterday as another blast, the 37th since August, rocked the Department of Labor and Employnment (DOLE) in Intramuros. No one was reported injured in the blast, police said.

Lt. Antonio Enrico, Western Police District bomb disposal unit investigator, said the explosion occurred at 12:40 p.m. and shattered the glass windows of the audio-visual room on the fifth floor of the DOLE bldg. Enrico said the bomb appeared to be a powerful pillbox (a mixture of gunpowder and nails usually used in militant student demonstrations) and was fired from outside the building using a slingshot. The investigator also theorized that the culprit may be a resident in the area since nobody reported seeing suspicious-looking persons near the building prior to the blast.

Padua, a 1983 graduate of the Philippine Military Academy, [PMA] denied that he was the man who registered as "Manuel Castillo" at a room at the Nikko hotel where the explosion occurred. He said he was with classmates from the PMA when the explosions occurred at the Nikko and the Mandarin hotels. "I thought there was cheating only at the sweepstakes. Now the military is also rigging its own reports," said Padua, adding that he has been "hibernating" for a long time.

He said the sketch supposedly based on a witness' description of Castillo and released by the military was actually based on his photo at the PMA 1983.

Padua was the commanding officer of the 4th Scout Ranger Company in Kalinga-Apayao when he brought some 50 men to join the takeover of Makati during the failed December coup. He was detained for two months at Fort Bonifacio, but escaped in February with the help of military sympathizers. He was also charged with murder before a civilian court in connection with the death of a student in Camarines. Defense Secretary Fidel V. Ramos announced the filing of the charges several months ago. Padua, however, dismissed the murder charge as "pure harassment. I thought Ramos is our defense chief. But it seems he has also become a judge."

The government has offered a P [peso] 300,000 reward for the capture of Padua. The police also offered a P100,000 reward for anyone who could provide information leading to the arrest of "Castillo," the Makati "bomber" whom the military has identified as Padua.

Militiamen Said Taken Hostage in Davao del Sur

HK0110051190 Manila MANILA BULLETIN in English 1 Oct 90 pp 1, 28

[By Wilma Yamzon]

[Text] Heavily armed communist guerrillas attacked a barangay in Davao del Sur and took an undetermined number of militiamen as hostages before returning to their mountain base Friday morning, reports reaching the Constabulary headquarters in Camp Crame, said yesterday.

A flash report to Maj. Gen. [Major General] Cesar Nazareno, PC-INP [Philippine Constabulary-Integrated National Police] chief, said New People's Army (NPA) rebels under a certain "Ka [Comrade] Bibit" and "Ka Joy" attacked barangay Abnate in Kiblawan and took with them all the members of Citizen Armed Forces Geographical Unit (CAFGU). The report said there were no casualties in the attack and the rebels have not issued any conditions or demands on the release the hostages.

Camp Crame officials said pursuit operations have been launched in the province to rescue the captured militiamen as soon as possible.

In Negros Oriental, two rebels were killed in a clash with government troopers Friday afternoon. The slain rebels were identified as Antonio Bernardo and Carlos Luardo. Two revolvers and assorted high-powered guns were confiscated from them, the military said.

A radio message from the Negros Constabulary Command said the encounter occurred at sitio Canhusoy, barangay Calamba, in Guihulugan town.

Communist guerrillas fired at a Constabulary team patrolling the area, resulting in fierce gunbattle between soldiers and rebels.

A report said a certain Francisco Zafra, alias "Ka Sogong" was captured by soldiers after the firefight. No casualty was reported on the government side.

Meanwhile, the military said it will intensify patrol operations and information gathering in the South in the wake of reports that anti-government forces are planning to undertake destabilization moves this month. Camp Aguinaldo officials said strengthening military operations, however, is "just a normal activity" in the wake of coup reports. They said both the rightist and leftist rebels are not capable at this time to carry out big offensives, except terroristic activities to show force.

Rightist Rebels To Launch More Terrorist Acts

HK0210095390 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 2 Oct 90

[Text] The Armed Forces of the Philippines today revealed the plan of rightist military rebels to launch more terrorist acts in Metro Manila. Reports say they will continue to carry out bombings until the presidential elections in 1992. The rebel soldiers are suspected of being responsible for the violence and bombings in Metro Manila. Bomb targets are multinational firms. The military assured the rebel group does not have sufficient strength to overthrow the government.

'High-Ranking' Rebel Arrested in Camarines Sur

HK0210063390 Quezon City Radyo ng Bayan in Tagalog 0600 GMT 2 Oct 90

[Text] The military arrested a high-ranking communist rebel of Camarines Sur in a raid at Rizal Street, Legaspi City. According to Colonel Amando Nierva, 5th Civil Relations Group commander, captured was Gaspar Tolentino y Villanueva, alias Comrade Bobby. He is the armed propaganda unit vice commander of the New People's Army in Camarines Sur. He is also a regular member of [name indistinct] of the Communist Party of the Philippines' Bicol Party Committee. Comrade Bobby has a 20,000-peso reward for his capture. The suspect was arrested last Friday in a house at Rizal Street after one month of surveillance.

Thailand

Foreign Minister on Changing U.S. Trade Ties

BK0210040190 Bangkok Domestic Service in Thai 0000 GMT 2 Oct 90

[Text] Foreign Minister Subin Pinkhayan says Thai-U.S. relations have become more of a partnership than a donor-recipient relationship. The USAID [United States Agency for International Development] recently announced a change of policy from emphasis on development assistance to trade and investment for mutual benefit. The foreign minister said he welcomed this policy. During Prime Minister General Chatchai Chunhawan's last visit to the United States, Thailand and the United States agreed to form a joint committee for commercial cooperation which called for expansion of trade and investment on basis of equality. The achievement of the committee's goals will help reduce the importance of U.S. assistance, which served as the basis for Thai-U.S. relations in the past.

The foreign minister said Thailand and the United States should resolve current trade disputes, including those concerning cigarette, textile, countervailing duties, and agricultural subsidies. Thailand seeks free, fair, and systematic trade, based on GATT. The foreign minister said Thailand is doing its best to achieve the economic stability level similar to other civilized countries. It is also revising its patent, trademark, and copyright laws to effectively resolve its trade dispute with the United States.

Kuwait Oil Ltd. Scales Down Investment Plans

BK0210024490 Bangkok THE NATION in English 2 Oct 90 p B12

[Excerpts] Kuwait Oil (Thailand) Ltd, a subsidiary of Kuwait Petroleum Corp, has reassured the Thai public that it will proceed with a plan to set up five petrol stations by the end of this year. There will be almost 100 stations more by the end of 1991.

The two-year investment budget has been set at Bt [baht] 260 million. Previously, the company had planned to open 250 oil stations in two years but that was before Iraq invaded Kuwait.

If the crisis is resolved, the company pledged to expand its investment pace by focusing on the Southern Seaboard. This is where the Thai government has asked the company to build a 200,000-barrel capacity refinery, according to Michael Bain, the managing director. Bain said Kuwait Oil has been getting sufficient crude oil supply from its allies such as Saudi Arabia and other Middle Eastern countries. He said Kuwait Oil had crude reserves in Europe brought out before the invasion, sufficient to last two to three months. Its 30 tankers also left Kuwait with crude and are now in Europe.

Since the Gulf crisis, Kuwait Oil has set up its headquarters in London. [passage omitted]

Bain said the company is interested in undertaking joint equity investment in a Bt3 billion oil pipeline project between Saraburi and Si Racha, in which the Petroleum Authority of Thailand [PTT] will hold a majority stake of 25 percent, with seven other oil companies holding a combined 75 percent stake. The joint venture with PTT will help support Kuwait Oil's petrol stations, he said.

Kuwait Oil is conducting a feasibility study on the refinery on the Southern Seaboard which is expected to take six months to complete. A number of international consultant firms have applied to undertake the study.

Bain said the company would late ask the Thai government for a licence to act as an oil importer once its sales have surpassed the regulated minimum of 100,000 tonnes annually.

ICRC Inaugurates First Flight to Phnom Penh

BK0210021990 Bangkok THE NATION in English 2 Oct 90 p A2

[By Yindi Loetcharoenchok]

[Text] The International Red Cross [ICRC] will inaugurate today its first direct flight between Bangkok and Phnom Penh, which will carry 4.5 tonnes of medical supplies to war-ravaged Cambodia.

The flight, initiated following a meeting last Wednesday between Phnom Penh Penh Prime Minister Hun Sen and Cornelio Sommaruga, president of the International Committee of the Red Cross (ICRC), will serve mainly to carry medical cargo, and supplies to its daily activities in 7-8 ICRC run or assisted hospitals. The committee, which has had a presence in Cambodia since 1979, has a delegation in Phnom Penh and four sub-delegations in Kampot, Pursat, Battambang and Mongkolborei.

The Phnom Penh government last month allowed ICRC access to Mongkolborei, a small town about 40 kms from the Thai border town of Aranyaprathet, which is considered an area of intense fighting between resistance and Phnom Penh forces.

Apart from medical and surgical teams in some western Cambodian towns, the committee has medical facilities in Phnom Penh, Mongkolborei, Battambang, Kampot, Pursat and Kompong Chhnang.

To facilitate the flight, Jean-Jacques Fresard, head of ICRC delegation in Thailand, is leaving with the aircraft, which is scheduled to depart at 9 am. Fresard said yesterday that the flights are expected to run on a weekly basis and will remain a cargo aircraft. The plane is being rented from a Singapore company.

In the past all medical and surgical supplies were first shipped by air to Ho Chi Minh City, where they were often held up for a week before being flown to Phnom Penh. From there they were later transported by land to Cambodia's western border, which could take up another six or more hours.

Fresard said the direct air transport would allow an increase of medicine and equipment to Cambodia, where medical needs are still very high because of the ongoing war and the country's isolation.

Sommaruga said the committee was also very concerned about the situation in Burma, and hoped that it would be able to expand its activities there in the same way it has in Cambodia. To materialize its objective in Burma, the Red Cross president said the committee "will have to operate from or through Thailand, (and) we will certainly welcome Thai support." The committee would also like to set up a mission on the Thai-Burmese border, where tens of thousands of Burmese of various races are residing along with exiled students.

Thailand has always been reluctant to allow international organizations to expand missions on the western border for fear of a refugee situation similar to that on the border with Cambodia. "We are not struggling for a place on this (western) border... we informed Thai officials we agree of having a modest place there, but we would disagree with having no place whatsoever on this border," said Urs Boegli, deputy delegate-general for Asia and the Pacific.

Despite its national Red Cross Society, Burma is one of a few remaining countries in the world that have not ratified the 1948 Geneva Convention on ICRC activities.

Currently ICRC has only five expatriates working in medical misssions in Rangoon and upcountry.

Editorial Suggests Burmese Regime Yield Power

BK0210005390 Bangkok THAI RAT in Thai 1 Oct 90 p 3

[Editorial entitled: "Time Bomb in Burma"]

[Text] In world history, Emperor Napoleon of France ascended to the throne via military force. He took complete control of state power. He boldly declared: "I am the state." When he said that, he meant that he would always get whatever he wanted and could do whatever he wished. No one would have predicted that Napoleon would one day be conquered, especially not by foreign troops. The present Burmese military government should keep in mind that history often repeats itself.

When there is a political conflict, either among members of a certain ruling system or between different systems, the use of force to suppress opponents by means of execution, indefinite imprisonment, or any effort to enable a person and his group to remain in power as long as possible is a vicious practice that the world cannot accept.

Naturally, as demonstrated by events in various eras and states, wherever leaders rule their people with oppression, grant their people no freedom, and contribute nothing to the public well-being, the people will finally decide to sacrifice their lives to overthrow that ruling party or eradicate that ruling system. This is true because—and this is a major principle of rule—the rulers and their ruling system will survive only if they are accepted by the people they rule.

It is very regrettable that the Burmese military junta is not trying to find a way out of the present situation by stepping down from power in an honorable fashion and accepting the sovereignty of the Burmese people, who elected their representatives with as much as an 80 percent majority of the total number of members of Parliament. The Burmese military junta has so far displayed its stiff stance that, apart from the military junta, it does not want anyone else to have ruling power in the country. It will kill its own children if they demonstrate against the military regime.

The Burmese military junta has even used its power to threaten the people and has violated international law, which is recognized and practiced in civilized countries. It does not accept international law and practice. It sent its soldiers to annoy and intrude on foreign embassies, including those of the United States, Britain, and West Germany. Even worse, it took in all the Burmese employees working at the foreign embassies for investigation and put some of them in jail. Such an act is a direct challenge to the countries the embassies belong to. It has deliberately ignored the principle of territorial integrity.

We call on the Burmese military junta to quickly find a way out of its predicament and respect the sovereignty of the Burmese people. The alternative is upheaval, which is drawing nearer. The uprising of the people and killings will be inevitable. It would also face direct and indirect embargoes from other countries. We do not want this to happen.

Bank Takes Measures To Boost Stock Exchange

BK0110033090 Bangkok BANGKOK POST in English 1 Oct 90 p 17

[Excerpts] The Bank of Thailand has endorsed 30 finance and securities firms investing an extra 9,850 million baht in stocks. More funds are expected to be available for investment in the stock market as many finance and securities firms have not yet applied for permission to invest.

The approved additional funds for investing in the Securities Exchange of Thai [SET] was slightly lower than the combined amount of 10,200 million baht sought by the 30 finance and securities firms.

The planned additional investment by the 30 companies is a measure to enable finance and securities firms to increase their stock investment portfolios from 60 percent of their capital funds to 100 percent and to help increase liquidity in the stock market. The measure was approved by the Bank of Thailand on condition that permission for each company to expand its portfolio would be given on a case-by-case basis. It is one of the measures designed by the SET to shore up the market which was adversely affected by the Persian Gulf crisis.

Other measures include the reduction of the loan margin requirement from 100 percent to 50 percent and establishment of the 5,000-million-baht Ruam Pattana II Fund for investment in the stock market. The new fund's capital was contributed by stockbrokers and sub-brokers [passage omitted]

Since the eruption of the Persian Gulf crisis, the local stock market has plunged by 43.85 percent in terms of prices, with the SET index having tumbled from 1,142.63 points before the crisis to 641.56 at the close last Friday. It is the second largest drop in the world, after the Taiwan Stock Exchange.

A number of stock analysts, both foreign and local, have been insisting that Thai stocks have declined to very attractive price levels. Meanwhile, more efforts have been made to shore up the stock market.

Finance Minister Wiraphong Ramangkun has announced an extension of the business tax exemption period on sales of securities, scheduled to end this year: 0.1 percent of the tax had been exempted since 1978. Dr Wiraphong also supports a move to double the Ruam Pattana II Fund to 10,000 million baht, if necessary.

The Bank of Thailand has also endorsed the establishment of three funds for the same purpose: the 1,200-million-baht closed-end Sub Anant Fund; the $75-million-baht (about 1,875-million-baht) closed-end Thai Equity Growth Fund by C.S. First Boston (Singapore); and the $150-million; (around 3,750-million-baht) closed-end Thai Emerging Fund by Nomura Securities of Japan.

Food Prices To Remain Stable for Three Months

BK2909052490 Bangkok THE NATION in English 29 Sep 90 p B1

[By Atchara Phongwutthitham and Utsani Wongsawat]

[Excerpt] Food prices are to stay put for another three months and business tax on several commodity exports are to be abolished for one year as two economic ministries yesterday stepped up their efforts to lessen the impact of oil price increase on the poor.

Commerce Minister Amaret Sila-on managed to convince 15 major food and consumer product producers and distributors to hold prices for the next three months. The 15 consisted of nine major distributors and producers such as the CP Group and six consumer product companies such as Lever Brothers Co and Saha Pattanapibul Group.

Deputy Finance Minister Chuchon Champhunut, meanwhile, announced four measures to be submitted to the Cabinet next week to abolish the two percent business tax on 16 major commodity exports, including jute, bean, maize, paddy, sorghum, wheat, castor oil seeds, sugar meal, coconut meal, bamboo, cassava and cotton.

The export tax on natural rubber imposed at 0.75 percent on an export price of above Bt18.70 would stay put but the level of the latter would be raised to a new one.

Both the combined eight percent import and municipal taxes on urea imports would be abolished. Traders will be permitted to import urea for making fertilizer freely, ending the monopoly of the partially state-owned National Fertilizer Corp Ltd. NFC will be instructed to stop charging a trading margin on the urea imports and distributed them to any traders and not just shareholders as in the past. Both the five percent duty on pesticide and 1.5 percent municipal tax would be abolished.

Chuchon said the tax reduction measures would cause a tax revenue loss of Bt853 million and would last a year before it is reviewed. The deputy finance minister made the announcement even though he has yet to discuss the proposed measures with the export industry since some officials felt that the export tax reduction might not be passed on to farmers but to middlemen and foreign buyers, an informed source said. He added that Chuchon could be trying to please the government without giving the matters a careful thought. His action appears to be throwing the burden of ensuring that farmers are not taking advantage by traders to the Commerce Ministry which oversees pricing issues.

At the Commerce Ministry, Amaret said after a meeting with food and consumer products makers and distributors have pledged to cooperate with the government to hold prices for three months. They could ask for price increases after three months should raw material prices go up. [passage omitted]

Vietnam

Papers Carry Reports on Thach-Baker Meeting

BK0210094790 Hanoi Domestic Service in Vietnamese 1000 GMT 1 Oct 90

[From the press review]

[Text] All papers today carry on their front pages reports that our National Assembly delegation concluded its official friendship visit to the Kingdom of Thailand on 30 September; that General Vo Nguyen Giap returned to Hanoi at the end of his successful visit to China; and that Foreign Minister Nguyen Co Thach attended the Conference of Asian-Pacific Countries in New York and held talks with U.S. Secretary of State James Baker.

PRC's Economic Reform 'Achievements' Viewed

BK0110141590 Hanoi International Service in English 1000 GMT 1 Oct 90

[Station review of "achievements recorded by the Chinese people in economic reform"]

[Text] To the Chinese people, 1990 is the key year of important significance to the evolution of economic development in the 90's. In the past 10 years, though there were some blunders, the Chinese economy has in general developed. The value of gross national product has doubled [words indistinct] with previous years. Industry and agriculture developed strongly, and economic, commercial, cultural, scientific and technical relations with other countries have been enlarged. The reserve of foreign currencies is increased; goods are plentiful. More than one billion people, or two-fifths of the world's population, have adequate food and clothing.

In 1979, China opened four special economic zones in Fukian and Guangdong Provinces. Five years later, more special economic zones were opened in 14 provinces and coastal cities. This year, China opened the [words indistinct] District on 350 square kilometers, setting up the foundation for the development of Shanghai and the Changkiang delta. Due to political disturbances in 1989 and the economic embargo from the West, Chinese industrial production in late 1989 was reduced. But this year, the Chinese economy has changed for the better. According to reports of the Chinese State Planning Committee, in the first seven months of this year the political, social, and economic situation was stable, the economy developed well in general. Especially, China has in a short period of time completed a series of huge projects to serve the 11th Asian Games. Its [word indistinct] organization for this sport event shows the hospitality of the Chinese people and the economic potential of China.

Worthy of note is that before celebrating their 41st National Day, the Chinese people witnessed encouraging signs in the Sino-Vietnamese relations. A Vietnamese sports delegation consisting of many athletes and coaches came to China for the 11th Asian Games. General Vo Nguyen Giap, vice chairman of the Council of Ministers, was the first leader of the Vietnamese Government to visit Beijing after a long time of abnormal relations between the two countries.

General Vo Nguyen Giap came to Beijing as honorary guest of Asiad 90 and a special guest of the Chinese Government. During his 10 days in China, from 18 to 28 September, General Vo Nguyen Giap had useful contacts with Chinese leaders. At a reception given to General Vo Nguyen Giap by Chinese Premier Li Peng, the two sides expressed their wish for early restoration and development of friendship between the Vietnamese and Chinese peoples and early normalization of friendship and cooperation between the two countries.

When he returned to the Huu Nghi Quan, or Friendship Gate, General Vo Nguyen Giap sent a message to Chinese Premier Li Peng saying that in the blue sky of friendship, black cloud is disappearing; Friendship Gate is Friendship Gate forever.

However, to have that blue sky of friendship, we have to overcome many difficulties and hardship on the road leading to normalization of relations between Vietnam and China. The Vietnamese people are indebted to the Chinese people's assistance and greatly treasure their friendship with the Chinese people and will do all they can to contribute to restoring the traditional Sino-Vietnamese friendship.

Leaders Send National Day Message to PRC

BK0210043490 Hanoi Domestic Service in Vietnamese 1100 GMT 30 Sep 90

[Text] Council of State Chairman Vo Chi Cong, National Assembly Chairman Le Quang Dao, and Council of Ministers Chairman Do Muoi today, 30 September, sent a greetings message to PRC President Yang Shangkun, PRC National People's Congress Standing Committee Chairman Wan Li, and PRC State Council Premier Li Peng. The message reads as follows:

On the occasion of the PRC's 41st National Day, a glorious festival of the Chinese people, we would like to extend our warmest greetings to the National People's Congress, government, and people of China.

Vietnam and China are two neighbouring socialist countries closely bound by a time-honoured friendship. The people of Vietnam and China have supported and assisted each other in their struggles for national independence, freedom, and national construction. The Vietnamese people are indebted to the Chinese people's assistance and greatly treasure their friendship. We will do all we can to contribute to restoring the traditional friendship between the two countries.

Favourable conditions have emerged now for an early normalization of relations between the two countries. We are deeply convinced that with mutual efforts the normal relations between the two countries will soon be restored in the lasting and fundamental interests of the two peoples and for the sake of peace, stability and cooperation in Southeast Asia and elsewhere in Asia.

We sincerely wish the fraternal Chinese people ever-greater successes in their national construction.

On this occasion, Foreign Minister Nguyen Co Thach also sent his greetings to Mr. Qian Qichen, his Chinese counterpart. The Vietnam-China Friendship Association also sent its greetings to the China-Vietnam Friendship Asociation.

General Attends Reception

BK0210004790 Hanoi VNA in English 1525 GMT 1 Oct 90

[Text] Hanoi VNA October 1—Chinese Ambassador to Vietnam Zhang Dewei and his wife gave a reception here tonight marking the 41st National Day of the People's Republic of China.

Their Vietnamese guests included General Vo Nguyen Giap, Vice Chairman of the Council of Ministers Nguyen Thi Binh, Vice President of the State Council Phung Van Tuu, Vice Chairman of the National Assembly, and Nguyen Di Nien, deputy foreign minister.

Ambassador Zhang Dewei and General Vo Nguyen Giap proposed toasts to the Chinese people's glorious anniversary, to the important achievements recorded by the Vietnamese and Chinese peoples in national construction, to the further consolidation and development of the traditional friendship between the two countries, and to the early normalization of the Sino-Vietnamese relations for the lasting interests of the two peoples and for peace, stability and cooperation in the region and the rest of the world.

On this occasion, cordial meetings were also held between officers and men of border guard stations in Vietnam's Northern Provinces of Hoang Lien Son and Lai Chau and opposite Chinese localities.

Athletes Entering PRC Receive 'Warm Welcome'

BK0110145590 Hanoi Domestic Service in Vietnamese 1430 GMT 29 Sep 90

[Report by station correspondent Dinh Khai; portions recorded]

[Summary] After entering Chinese territory through the Huu Nghi border gate, the Vietnamese athletic delegation received a warm welcome extended by the fraternal Chinese people in Nanning City, Guangxi. Upon their arrival at the Beijing railway station, the delegation was again warmly greeted by the Asiad organizing committee, officials from the Vietnamese Embassy, and Vietnamese residents in China.

At the Asian Games Village, the Vietnamese flag was flying along with those of other countries participating in the games. Along with active sports activities, many impressive meetings were held between the Vietnamese athletes and those from other countries, especially the Chinese athletes. They also met with Vietnamese officials and residents in China.

Vietnamese ambassador to China Dang Nghiem Hoanh was the first to welcome the delegation at a Chinese border village while a large group of Vietnamese residents in China were on hand to welcome the Vietnamese athletes at the Beijing railway station.

The Vietnamese Embassy in Beijing and Vietnamese residents in China were elated to have the chance to welcome General Vo Nguyen Giap, who visited China as a special distinguished guest of the Chinese Government.

Speaking to Vietnamese officials and residents at the Vietnamese Embassy reception, General Vo Nguyen Giap briefed them on the socioeconomic situation and development in Vietnam since the Sixth Communist Party of Vietnam [CPV] Congress. "He urged cadres and officials of the embassy to satisfactorily fulfill tasks entrusted to them by the party and state. He also asked the Vietnamese residents to abide by the law and policy of China, thereby contributing to restoring and building friendly relations between the two nations."

During the embassy reception, I had the chance to talk with some Vietnamese residents. All of them expressed their earnest wishes to see a quick normalization of relations between the two countries so that they may visit the fatherland again. Among them was Uncle Nguyen Thieu Quang, 63, who has been living in China for more than 40 years and is working with a foreign language newspaper in Beijing. Asked about his opinion, he said:

[Begin Quang recording] "The Vietnamese residents in China are united and are looking forward to visiting the fatherland. Generally speaking, Vietnamese who live in Beijing as well as in other cities faced some difficulties in daily life, but we have done our best to live here while striving to contribute to sharing weal and woe with our countrymen back home. Our earnest aspiration is to see a quick normalization of relations between the two nations so that Chinese and Vietnamese peoples may live together in an atmosphere of peace and fraternal solidarity." [end recording]

The 11th Asiad is continuing smoothly in Beijing. Along with sports competition, the Vietnamese athletes have made friendly contacts with many athletes from other countries, especially with our Chinese friends. I can say that the Vietnamese athletes have brought along their goodwill and enthusiasm to strengthen the solidarity and friendship with their counterparts from other nations, especially with the Chinese athletes and people.

"I am convinced that at this 11th Asiad, the Vietnamese athletes will score a gold medal—that of friendship, solidarity, and progress as General Vo Nguyen Giap termed it."

Heads of Army Sports Teams Meet in Beijing

BK0210102690 Hanoi VNA in English 0724 GMT 2 Oct 90

[Text] Hanoi VNA Oct. 2—Colonel Ngo Xuan Quynh, head of the Vietnamese army sports team and deputy head of the Vietnamese delegation to the current 11th Asian Games, met in Beijing on September 29 with Colonel Wu Huanxiang and Colonel Zhu Yanan, respectively head and Political Commissar of the Chinese "Ba Yi" (August 1st) army team.

In an atmosphere of friendship, the two sides expressed the wish for early normalization of the Sino-Vietnamese relations and for more exchanges of visits between army sports teams of the two countries.

Gathering Marks Cuban Committee's Anniversary

BK3009084890 Hanoi VNA in English 1539 GMT 29 Sep 90

[Text] Hanoi VNA Sept. 29—A get-together was jointly arranged here this morning by the Central Committee of the Vietnam Fatherland Front and the Vietnam-Cuba Friendship Association to mark the 30th founding anniversary of the Committee for the Defence of the Revolution of Cuba.

After the opening speech by Ly Van Sau, vice president of the Vietnam-Cuba Friendship Association, Cuban Ambassador to Vietnam Armando Saucedo Yero highlighted the said committees' great contributions over the past 30 years to the Cuban people's cause of national defence and construction. He stressed that at present, the committees, which rally the Cuban people of all strata, are continuing to develop their glorious tradition to defend the revolutionary gains and successfully build socialism in their country.

Speaking at the get-together, Phan Van Kiet, vice president and secretary general of the front Central Committee said that over the past 30 years under the leadership of the Communist Party of Cuba the Cuban people, uniting around the Committee for the Defence of the Revolution, have obtained great achievements in building socialism and discharging their noble internationalist duty.

He also expressed his belief that the Cuban people's revolutionary cause would steadily advance forward and the Vietnam Cuba cooperative relations would constantly consolidate and develop.

More on Assembly Delegation's Thailand Visit

BK0210045590 Hanoi Domestic Service in Vietnamese 2300 GMT 1 Oct 90

[Text] A delegation of our National Assembly led by its Chairman Le Quang Dao paid an official friendship visit to the Kingdom of Thailand from 25 to 30 September at the invitation of His Excellency Wan Chansu, president of the Thai Parliament.

During the visit, Chairman Le Quang Dao and the delegation laid a wreath at the Monument to King Chakkri VII [King Rama VII of Chakkri Dynasty], exchanged views with Wan Chansu and Pancha Kesonthong, president of the Parliament and speaker of the House of Representatives of the Kingdom of Thailand, respectively. They also had working sessions with the Foreign Affairs Commission, the Economic Commission, the Cultural and Tourism Commission, and the Administrative Commission of the Parliament.

Chairman Le Quang Dao and the delegation also called at the Ministry of Foreign Affairs and the Ministry of Commerce and met with General Sunthon Khongsomphong, supreme commander of the Thai armed forces.

On these occasions, the two sides touched on many issues concerning relations between the two countries and two national assemblies, as well as on some regional issues of bilateral concern.

All the parliamentary leaders and other authorities of the Kingdom of Thailand who worked with our National Assembly delegation had highly appreciated the first official friendship visit by a high-level delegation of the National Assembly of the Socialist Republic of Vietnam. They said the visit has opened a new page in the relations between the two national assemblies and the two states.

They also expressed a desire to further develop the neighborly and friendly relations between the two countries and to cooperate with Vietnam in numerous fields, especially in the economic and commercial domains, and demonstrated their goodwill in wishing Vietnam progress and prosperity.

New Exchange Mechanism To Close Rate Gap

BK2909132390 Hong Kong AFP in English 1235 GMT 29 Sep 90

[Text] Hanoi, Sept 29 (AFP)—Vietnam's central bank has implemented a new exchange mechanism floating its currency close to black market rates to attract hard currency to state-owned banks, bank sources announced Saturday. The new, more flexible mechanism will respond to fluctuations in the price of gold and foreign exchange rates on the open market, the sources said.

The new policy is part of a drive launched in early September to tighten control over gold and currency trading, which is banned outside of state banks. Under the new system, provincial banks will be allowed to set exchange rates within a five per cent margin of the central bank's buying and selling rates.

The exchange rate saturday at Hanoi's bank of foreign trade was 6,150 dong to the dollar, against 6,200 dong on the black market. Previously the official rate was much less than the black market rate. "The weak exchange rate applied earlier was unable to draw hard currency to our banks," one bank source said, adding that the new policy should remedy that.

Previously, foreigners and Vietnamese nationals generally changed their money on the black market because of the low official rate and bothersome red tape.

New Exchange Rates for Dong Currency Announced

BK0110140290 Hanoi International Service in English 1[illegible]00 GMT 1 Oct 90

[Text] The general director of the Vietnam State Bank has made public the official exchange rates between the Vietnamese and other foreign currencies. The exchange rate of one U.S. dollar is 5,800 dong. The general director said that all trade banks were allowed to sell and buy foreign currencies on the basis of the new exchange rates.

More on Newly Discovered Dai Hung Oil Deposit

BK0210102790 Hanoi VNA in English 0714 GMT 2 Oct 90

[Text] Hanoi VNA Oct. 2—The Vietnam General Oil and Gas Company has made the following announcement:

On August 31, 1990 the first barrels of industrial oil were pumped from the second well at the newly-found Dai Hung Oil Deposit (about 250 km off the coast of Vung Tau-Con Dao, 100 km east of Ho Chi Minh City). Initial output was 460 metric tons per 24 hours (instead of 40,000 cubic metres as earlier reported). Evaluation of the reserve and quality of oil is continuing. It is believed that this is one of the biggest oil deposits on the Vietnamese continental shelf.

Soviet Import Drop Cited in Oil Price Rise

BK0210100290 Hanoi Domestic Service in Vietnamese 1430 GMT 30 Sep 90

[Text] During the past two weeks, and longer, oil prices in the capital of Hanoi, Ho Chi Minh City, and in many other localities throughout the country have increased unexpectedly, thus fomenting a competitive temperament among consumers. This was due mainly to a reduction in the quantity of imported oil this year.

In the past, oil importation was stable and carried out in accordance with contracts signed with the Soviet Union by the oil corporation of the Ministry of Home Trade. This year, the supplying of oil under contracts signed with the Soviet Union has faced numerous difficulties. In the first nine months of 1990, the corporation received only 75,000 metric tons, or some 30 percent of the planned norm. The corporation has actively utilized both self-acquired and state-supplied funds to import some 30,000 metric tons of oil from Zone 2 for consumption.

At a time when the source of this commodity is relatively scarce, efforts have been made by the oil corporation of the Ministry of Home Trade to regulate the quantity of oil among all localities, as well as to supply oil on a priority basis to important provinces and cities and provinces in the mountainous and border regions.

Between now and the end of this year, the corporation plans to muster self-acquired and state-supplied funds to import additional oil from Zone 2. Meanwhile, it also plans to import gas in support of the people. On that basis, fuel corporations in all provinces must control the supply of oil even more satisfactorily and must employ rational selling methods to ensure that fuel is sold sufficiently and uninterruptedly to consumers, as well as to prevent merchants from taking advantage of a scarcity of this commodity to pocket profits, thus causing difficulties to consumers.

Do Muoi Greets World Summit for Children

BK0210005890 Hanoi VNA in English 1518 GMT 1 Oct 90

[Text] Hanoi VNA October 1—Chairman of the Council of Ministers Do Muoi has sent a message of greetings to the World Summit for Children, which was opened in New York on September 30.

The message said among other things:

"The Socialist Republic of Vietnam welcomes the convening of the World Summit for Children... The SRV Government commits itself to implement the convention of the rights of the child, which the Vietnamese state has ratified. May the summit be successful."

UN Organization Signs Nutrition Project Plan

BK0210041090 Hanoi VNA in English 1514 GMT 1 Oct 90

[Text] Hanoi VNA October 1—A plan on action for the execution of nutrition project No. 3844 funded by the World Food Programme (W.F.P.) was signed here today by Minister of Public Health Pham Song and David Smith, resident representative of the United Nations Development Programme (U.N.D.P.).

Project No. 3844 is aimed at taking care of pregnant women and children, universalizing education in health and nutrition, and expediting other integrated programmes related to immunization and environmental sanitation.

Some U.S. dollars 27,208,000 are to be invested in this project and will be concentrated in 11 main provinces and cities. It will be carried out in three years (1991-94) with the help of such international organizations as the U.N.D.P., W.F.P. the World Health Organization, the United Nations Children's Fund (U.N.I.C.E.F.), and the United Nations Population Fund (U.N.F.P.A.) as well as the financial contributions of the Swedish, French, and Australian governments.

Vo Van Kiet Visits Quang Ninh Province

BK3009145990 Hanoi NHAN DAN in Vietnamese 5 Sep 90 pp 1, 4

[VNA report]

[Text] From 1-3 September, Comrade Vo Van Kiet, member of the party Central Committee Political Bureau and first vice chairman of the Council of Ministers, paid a working visit to Quang Ninh Province where he called on and expressed his greetings to the local compatriots on the occasion of the 45th anniversary of the August Revolution and the 2 September National Day. He was accompanied by representatives of the Customs General Department and the Ministries of Commerce, Finance, and National Defense.

The comrade vice chairman toured Co To Island and visited our compatriots and combatants in Hai Ninh District and cadres and combatants at border defense outpost No. 3. He conveyed the party Central Committee's regards to the local people, cadres, and military personnel. The comrade praised the compatriots and military personnel in Hai Ninh District for their efforts to overcome difficulties, to develop the economy, to promote goods circulation along the border area, and to improve the people's living conditions. In his meeting with local border defense troops and cadres, the comrade vice chairman urged them to overcome all difficulties, fulfill all tasks, and contribute to consolidating the friendship between the peoples on both sides of the border area.

Comrade Vo Van Kiet had working sessions with the Quang Ninh Provincial Party Committee and People's Committee. He heard the comrade leading officials' reports on the local political and socioeconomic situation and took into consideration the local authorities' proposals to the central government. He stressed: Quang Ninh maintains a particularly important position because it is a border province with a large coal deposit and many mountains, forests, and islands. Therefore, efforts are needed to map out the local socioeconomic development strategy till the year 2000, bearing in mind the extremely important orientations of the socioeconomic development program and strategy set forth by the party Central Committee's ninth plenum resolution. In this way, there will exist conditions for the province to further develop its strengths and potentialities in all fields. It is also necessary for the province to work together with the central government in stepping up coal production, which is of great strategic importance for the entire country.

The comrade vice chairman contributed many practical solutions to the various issues facing Quang Ninh Province in the areas of energy, communications, and tourism, thus creating conditions for the province to implement its economic and cultural development programs.

During his stay in Quang Ninh, Comrade Vo Van Kiet had cordial meetings with many leading comrades and retired veteran cadres. He welcomed their suggestions as to how to carry out local socioeconomic development programs.

During his working sessions with leading officials of the provincial party committee, people's committee, and people's council, the comrade vice chairman reminded them of the need to make greater efforts to improve the material and spiritual lives of local residents, especially ethnic minority compatriots and islanders.

NHAN DAN Eulogizes August Revolution

BK3009111690 Hanoi NHAN DAN in Vietnamese 31 Aug 90 p 3

[Article by Tran Bach Dang: "Defend and Carry On the Cause of the August Revolution"]

[Text] The 1945 August Revolution is a source of pride for the Vietnamese nation. If Ngo Quyen defeated the Southern Han troops in the tenth century to restore the sovereignty of the Great Viet after thousands of years under Chinese control, then the 1945 August Revolution put an end to Vietnam's slavery in modern time after 80 years under the Western colonialist yoke. As a result of historical conditions, the 1945 August Revolution uprising has enhanced our country's position in the international arena because it carried out the following two duties: fighting imperialism and feudalism, and carrying out the first surprise attack on a colonial network by using the strength of a dominated nation.

Although they had to spend 30 years of resistance to perfect their independence, the Vietnamese people have always considered the 1945 August Revolution as a skilled midwife who rekindled self-confidence so the Vietnamese people could believe firmly in their ability to create a glorious standing for them under the sun and continue in the course of their forefathers' heroic past.

In the thousands of years of building and defending the country, hundreds of years of fighting indomitably, and decades of rallying under the communist banner and enduring horrendous terrorism, all of Vietnam's quintessence was concentrated on a single memorable autumn of all autumns.

The most obvious thing is that all Vietnamese without exception have in some way benefited from the August Revolution. Let us look at the opposite: Bao Dai would have been buried under the dust of time, were it not for the August Revolution that made him "more valuable" to France. He was brought back to Vietnam from Hong Kong by France to stage the "Bolard-Bao Dai" talks in the Ha Long bay. Those stars on the epaulets of puppet generals were, after all, due to the August Revolution. The rank of captain was the highest a Vietnamese could attain in the former French army, except in the case of Do Huu Chan, and the highest position in the former French administration was that of deputy district chief. Central and Northern Vietnam, which followed the "protectoral" system, had the ministerial and gubernatorial positions that were merely non- factual.

Even ordinary people with little knowledge about the now 45 year old August Revolution still understand that its impact is extremely broad. Without the August Revolution and the era opened by it, the name of Vietnam would puzzle people. Nowadays, all those who bear Vietnamese names and live on all five continents have certainly adopted different attitudes toward their country. Yet, even though they oppose the country, they are still under the shade of the August Revolution. The August Revolution has, at least, offered them something, which they have either refused or accepted and used to their advantage.

To speak of the August Revolution is to tell about the two resistance struggles, the course from A to Z of a change with international stature.

Being away from the August Revolution, we can now recognize it even more easily than when it was going through the test of fire. Since life is never without trouble, all manifestations of wavering fear in the face of war can be easily understood. Yet, the phrase "can be easily understood" differs from running away into farsightedness. I have met some great scholars who failed to pursue the two resistance struggles until the end because of personal reasons. With self-respect and honesty, they—either in Saigon or abroad—all have expressed regrets at their failure. On the occasion of President Ho Chi Minh's birth centenary, lawyer Nguyen Manh Ha—former minister of economy in the first independent Vietnam government now living in France—used the word "pilgrimage" to mean his return together with his wife to the capital in order to pay tribute to our Uncle—"our common father"—just like he wrote.

What must be analyzed involves another type of people—those who lived through the two resistance struggles and now claim loudly that they lost their way, that it was stupid to join the August Revolution and the resistance, and that there are many better ways to prosperity than wielding weapons. It should be a waste of ink to justify such nonsense. Yet, this nonsense originates from the bad habits of making "grand statements" and servilely repeating blatantly empty words in order to cover up a sad reality in many Eastern European countries. Some press articles and bulletins "criticize" Vietnam for marking time and "being stupid," wondering "how much longer Vietnam will be able to resist." A very few people bearing Vietnamese citizenship—I am talking of their citizenship and not their thinking, that is another matter—have also chimed in by saying that since the "multi-party" system can be applied to a particular country, it should be applied to other countries. These people even claim, without basing themselves on tangible realities, that a "multi-party" system means democracy!

We—our leading party and state—have nothing to hide. We have committed some mistakes in the strategy and policy of national construction. We also made a mistake in the former land reform in the North and even after 30 April 1975 in the transformation of industry, trade, and agriculture in the South. Yet, why should we deny the August Revolution (and the two resistance struggles) and be "sorry" for it? What crime has been committed? It is not our habit at all to hold the past responsible for all our personal weaknesses, for our poor knowledge of the real situation and of Marxism-Leninism, and for our moody fits. To those outside the country, we give this advice: Let them wash their dirty linen at home first. Whether or not we are "marking time" and "are stupid," or "can endure longer," we know ourselves well, just as we know that we must give a wide berth to all the collapses and breakages, both practical and ethical, and to all troubles in terms of theory, power, and national dignity. At least, we are not familiar with sophism. Vietnam must renovate itself, but renovation cannot be made in panic and chaos. We must stabilize to renovate and renovate to stabilize. The scientific characteristic of this dialectical relationship has been tested by realities. We must renovate economic thinking first of all—first of all and not solely—because our forefathers said: An empty stomach has no ears. We strive to act more than speak and to avoid wasting our strength for projects that are not urgent.

Concerning Vietnam's internal affairs, the following question must be posed to a certain number of people: Has what we know about Eastern Europe opened our eyes yet ?

In fact, the August Revolution, the October Revolution, and all other revolutions in the world do not call for gratitude and have, therefore, no comments on betrayal

Countless people who have fallen in order for the revolutions to triumph have also adopted similar attitudes. Gratitude and betrayal must be talked about among those who are still living and with succeeding generations. This is a category of ethics which our nation has treasured for thousands of years and which has helped us survive, just as we are surviving now. We have debated a great deal about the country's backwardness, and this is legitimate debate. However, the country will no longer mean anything if finally the people in the country fall into terrible backwardness and forget how and from whence they came. We painfully witness those who on behalf of the country have tried to eliminate it, or who visualize it according to their own liking and desire, when they no longer maintain healthy liaison with the country.

I have tried very hard and in vain to clarify the following reality: A certain number of defeatist, reactionary, and degenerate people living abroad have shamelessly continued to oppose the country by hurriedly welcoming those words and literature being circulated under many forms in the countries that reject the revolution. Is it true that some of us have shamefully put ourselves even below those who have lost their country? Anyway, those who have lost their country have long excelled in persisting in this stand.

Let us look at the problem from another angle. We have asserted hundreds of times that the revolution is an undertaking of the masses. The two resistance struggles were also undertakings of the masses. This truth has also been emphasized hundreds of times. Yet, what has happened around us?

Indeed, when it comes to theory and practice, there is a big difference between the roles of "master" and "servant". The "Revolutionary Mandarins" condemned by President Ho Chi Minh have made their presence felt everywhere now. Although many resolutions have been issued and studied, the real situation is progressing slowly and even worsening with time in some respects.

The bad habits of a number of people holding power are developing quickly to all extents and under all forms. They are damaging the prestige of the party and state in an increasingly rude and brazen manner. The crisis in Eastern Europe has revealed that anti-socialist forces inside and outside have taken advantage of the degeneration of cadres and party members, and the abuse of power by the machinery to isolate the revolution from the masses. This is the most vital lesson—one we must scrupulously ponder. It is extremely easy for us to identify those who in the name of the Revolution have sat comfortably in the "people-herding" positions in villages, hamlets, city wards and higher levels. How can the earth-shattering August Revolution give rise to such unreasonable phenomena?

The August Revolution, the fruit of enthusiasm and intelligence, does not accept a man's indifference to his fellowmen, his insensitivity to mankind's destiny, or his inadequate knowledge. It does not need acclaim, but instead calls for people to inherit its essence. It is creative action by the masses, and no one but the masses best deserves to enjoy its gains. The August Revolution does not tolerate anyone who in its name causes wrath among the masses, and it will definitely smash all plots—either conscious or not—to lead the regime it has created to the brink of an abyss.

The fate of the country, people, regime and party cannot be left "floating" among those self-seeking people. It is right that Vietnam has a unique quality. Yet, our unique quality does not lie in our fortitude in enduring injustice and inequality, but in our ability to detect our weaknesses and resolutely step ahead and actively overcome them. The August Revolution reflected creativity on the part of our party and nation. The two resistance struggles manifested all the more clearly the great potential of our party and nation. In renovating socialist construction we have also broken and "removed" all old ties since 1979.

In the last years of the 20th century's last decade, we will create our standing in the world community depending on our behavior.

No one can betray the August Revolution—the crystallization of proletarian internationalism and nationalism by Ho Chi Minh—either by rejecting it or denying it in its own name. As a result, the spirit of the August Revolution will live forever like a living substance that is always seeking ways to remove obstacles, surge forward, and be creative.

Nguyen Van Linh Visits Mass Media Offices

BK0110122590 Hanoi International Service in English 1000 GMT 1 Oct 90

[Text] Vietnamese Party leader Nguyen Van Linh has recently paid a working visit to some mass media offices, including the Voice of Vietnam. His visit was made on the occasion of the 45th anniversary of the Voice of Vietnam and VIETNAM NEWS AGENCY, the 40th anniversary of the Army paper QUAN DOI NHAN DAN, and the 20th anniversary of Vietnam Television.

Speaking to media men, Mr. Nguyen Van Linh praised the efforts made by these media in particular and the whole press in general in renewing their work, worthy of their role as the voice of the party, state, and mass organizations, as well as a forum of the people in service of the process of renovation being underway in the country.

On the current internal situation, Mr. Nguyen Van Linh said: The press has recently done a good job of fighting against social negative phenomena and should continue its effort, especially in the movement against corruption, smuggling, false goods making, and tax evasion, as well as encourage people to use homemade goods. The party leader said that officials have to pay due attention to the living and working conditions of the mass media people.

Vietnam War Veterans Association Reviews Tasks

BK2809093390 Hanoi Domestic Service in Vietnamese 1400 GMT 26 Sep 90

[Text] The provisional executive committee of the Vietnam War Veterans Association [VWA] recently held an enlarged conference to review its situation and to discuss tasks for the rest of the year.

During the past six months, the VWA has set up organizations from grass-roots to central levels in 44 provinces and municipalities, enrolling 150,000 qualified members. This was achieved due to the close guidance of party committees and effective assistance by the administration, the Vietnam Fatherland Front, and military agencies as well as the wholehearted support of the people.

About 90 percent of the VWA grass-roots level organizations have held congresses to elect official executive committees.

Although it is a newly established organization, the VWA has actively participated in activities that are in the interests of the nation and society. It has also strengthened unity among members, and has positively studied and implemented the Communist Party of Vietnam Central Committee's eighth plenum resolution.

The association has also asserted its determination to build and defend socialism, protect party and revolutionary gains, oppose pluralism and the multiparty system, pass on the revolutionary tradition to the younger generation, help maintain social order and safety and settle land conflicts. It is also determined to participate in strengthening the party and administration, the regional defense program, and to oppose negativism, especially corruption.

Initial results scored by VWA organizations at the grassroots level have been highly appraised by echelons of party organizations and the administration in many provinces. The association has been recognized as a revolutionary mass collective and a reliable organization of the party and the administration, especially those in Hanoi, Ho Chi Minh City, Haiphong Municipality, and the provinces of Bac Thai, Nghe Tinh, Cuu Long, Long An, Ha Son Binh, and other localities.

Paper Criticizes U.S. as 'Cigarette Empire'

BK0110122090 Hanoi Domestic Service in Vietnamese 1100 GMT 28 Sep 90

[Article by Dang Phong in NHAN DAN: "The United States Is a Cigarette Empire"; date not given]

[Summary] Given their imperialist nature, one can call the giant cigarette manufacturers of various capitalist countries the "largest empires."

Although the United States produces only nine percent of the world's cigarettes, "it is the world's largest cigarette-exporting country, and U.S. cigarette manufacturers reign over the world cigarette market." China, on the other hand, produces four times as many cigarettes as the United States, but, like many other cigarette producing countries, it consumes most of what it produces domestically.

Cigarette production is one of the United States' largest industries. In 1989, Phillip Morris ranked seventh [among the United States' largest income earners] with an annual turnover of 39.1 billion dollars and a profit of 2.9 billion dollars. The U.S. cigarette industry's "imperialist nature does not manifest itself in the industry's output nor in its huge turnover but in its aggressive character. While the United States is calling for a smoke-free society, the bulk of its cigarettes are not consumed domestically but are being dumped onto Third World countries. Since 1964, the U.S. public health department has been carrying out a widespread campaign to publicize the hazards of cigarette smoking. Civil servants have been banned by various local and state administrations from smoking in offices."

After a quarter of a century, the number of cigarette smokers in the United States has taken a nosedive. According to figures obtained from a survey conducted by the U.S. casualty research center, "the number of smokers in the United States has decreased at a rate of 2 percent per year." Therefore, cigarette manufacturers are trying to "target their cigarette production at developing countries." According to statistics provided by the U.S. Department of Agriculture, "the cigarette industry is the most profitable business in the United States. Profits obtained from cigarette sales are increasing daily as a result of an annual price increase of 10-11 percent. It is because of this that while drastic measures are being taken against cigarette smoking, many cigarette-producing corporations in the United States continue to expand their facilities and increase their output. Consequently, the production output of various U.S. cigarette corporations is on an upward trend. The largest portion of 420 billion dollars worth of U.S. cigarette exports are being dumped on Third World countries. This means that every year, over 40 billion dollars are going up in smoke."

The Phillipines is "ranked first in the fight against the cigarette empire." On 5 March 1989, President Aquino signed a decree banning cigarette smoking in public places, slapped a 200 percent tariff increase on imported U.S.-made cigarettes, and jailed and confiscated the property of officials involved in the illegal import of cigarettes.

Also on the same day, "Mrs. Aquino made an eloquent nationally televised statement in which she said: Western countries want to protect their peoples' health and sanitation but they do not want to sacrifice the interests of their cigarette manufacturers. These manufacturers are pouring their dangerous products into our country as they have dumped their wastes on less-developed countries. This is a barbarous act and also a form of imperialist aggression."

Perhaps the Philippines was the first to call U.S. cigarette manufacturers cigarette empires. Ten days after the promulgation of this decree, 398 people in Manila were arrested for smoking in public places. They were jailed for 10 days and fined 10 dollars. And there have been 1,127 customs and police officials fired for their involvement in cigarette dealing or for smoking while at work.

"Colonialists and imperialists have been driven away from most countries in the world but they are making a comeback in the form of cigarettes." This can be regarded as "a process of renewed aggression. Therefore, the fight against foreign aggression continues to be difficult and tough."

Foreign Cigarettes Banned Effective 1 Oct

BK2909152990 Hanoi Domestic Service in Vietnamese 1100 GMT 29 Sep 90

[Text] The following is an announcement of the Market Management Steering Committee:

Effective 1 October, all foreign-made cigarettes will be banned from our country's market. Organizations and individuals engaging in the sale of these cigarettes on the home market shall be regarded as smugglers and legal action shall be taken against them in accordance with the criminal code.

Illegal Traders Warned

BK0210104790 Hanoi Domestic Service in Vietnamese 2300 GMT 30 Sep 90

[Text] Implementing the Council of Ministers Chairman's Directive No. 278, as of 1 October no organization or individual is allowed to engage in foreign cigarette trading in Vietnam. All units and individuals engaging in this business will be considered as acting illegally and their cigarettes will be confiscated.

Illegal traders and carriers of smuggled foreign cigarettes will be dealt with in accordance with the law. Those who discover and inform the authorities of cigarette smuggling rings will be awarded in accordance with the state incentive regulation on anti-goods smuggling. Officials who abused their authority to cover and protect illegal traders, or who misused the confiscated foreign cigarettes, will be seriously dealt with by the law.

Australia

Labor Officials, Opponents View Privatization

BK3009124390 Melbourne Overseas Service in English 0803 GMT 29 Sep 90

[From the "International Report" program presented by Tony Hastings]

[Text] This week the Australian political scene was dominated by the privatization debate. At a special conference in Canberra, the ruling Australian Labor Party [ALP] voted to begin privatizing government enterprises, a decision which overturns decades of Labor Party tradition. The government will now move to sell 49 percent of its international airline, Qantas, and 100 percent of its domestic carrier, Australian Airlines. In addition, a private corporation will be allowed to compete with the government's telecommunications organization, Telecom.

Privatization is seen by Prime Minister Bob Hawke and his senior ministers as a vital element in the government's economic reform program, which aims to make the economy more efficient and to reduce government debt. The socialist left wing of the party fought strongly against the move, which it sees as a betrayal of party policy and tradition. But in the weeks leading up to the conference, it became clear that Mr. Hawke has the numbers to push through the reforms, although up to 43 of the 101 delegates voted against each of the reform motions, figures which show privatization has caused deep divisions within the party.

Opening Telecom to private competition caused more resentment from the left than the sale of the airline. While only a small percentage of Australians fly, everyone uses telephones, and a rise in telephone charges could have major ramifications. It was Communications Minister Kim Beazley who presented the government's plan, which he says will make Telecom more efficient by forcing it to compete with a private corporation.

[Begin Beazley recording] Of necessity, we must confront these issues. We must confront these issues because they are of critical content to our nation. If we do not take advantage now of the opportunities that are out there in our regional markets—$130 billion spent on hardware, software, and development of systems in Asia over the next five years—if we do not encourage international business to establish itself here, and it can't do that other than in a competitive environment, we will miss out again in that area. This proposal is standard, average, common sense, democratic, socialist policy on how you manage government business enterprises... how you manage government business enterprises.

The Labor Party does not and has not for years stood for monopoly. What the Labor Party has stood for is keeping in the public sector what is relevant in the public sector, and when it has been in the public sector, making sure it performs. That's what the Labor Party is about; that is what, in a mixed economy, social democracy is about. That is why we are not East European communist parties now defunct; we are a social democratic party with a 100-year history. And what this is about is effectively confronting the way in which we manage our affairs in the Labor Party, within our traditions, in establishing effective government business enterprise. So I do so move the motion. [end recording]

One of the most outspoken opponents of the government's plans for Telecom was head of the Telecommunications Union, leftwinger Ian McLean. He said a private corporation will only be interested in competing for the most profitable area of business communications between large cities and will leave Telecom to service the general community and unprofitable remote areas. He also said the government's plans will lead to an unacceptable level of foreign control.

[Begin McLean recording] Why are we here? To greet the arrival of American or Japanese telephone companies to come in on the back of Telecom and take the [word indistinct] business. Now, if you think they are not interested in [words indistinct]. [applause] Kim [Beazley] says they want to get out in the suburbs. Well we'll see how far out in the suburbs. When they are comfortably set up in the central business districts and with the [words indistinct] fixed betime the capital cities, we'll see how keen they are to go out into the (?dongers) and run cable in the streets and all that sort of thing. It just will not happen.

Well, I've got a concern about the whole issue from the point of view of the party. These days the conflicts that are surrounding this question, we don't need. We're in a position today where [words indistinct] government rules the party—and some people in the government always get a kick out of that—or the party rules the government, and nobody will get a kick out of that, because that won't be handy to us. But we've got the problem with these [words indistinct] they are going to lose anyway. They are going to follow the New Zealand Labor Party down the same track for 23 percent, and they will lose the next election. So, the best thing that we can do today, delegates, is to pull them into gear, set them on the right track. We've done it before with consumption tax and other issues, and we did it after the Adelaide by-elections. They got their act together again. But I think they've got to put this away and forget about it, and go on governing this country in the way that they have in the past. But they cannot expect the loyalty of the Labor Party and the trade union movement to continue to follow them through these [word indistinct] expressions into what I believe are unworthy and unsustainable adventures. Thanks very much. [applause] [end recording]

Mr. McLean said his union might take industrial action to prevent the establishment of a private telecommunications company. But Prime Minister Bob Hawke argued that such an action would play into the hands of the opposition Liberal and National Parties, or the

Tories as he calls them, who plan to sell all government enterprises, including Telecom. The prime minister even claimed that the government could not win the next elections if the unions block his Telecom policy.

[Begin Hawke recording] We could not win a situation where this party had said to the government: We will repudiate your program for further increasing the efficiency of the Australian economy. It would even be guaranteed that you'd be paying in to the Tories the certainty of government and a certainty of a total privatization of telecommunications. And if you are saying, as I hear you report it today, that you and your members will go into the next election to fight against this government, which has created that fully publicly-owned telecomunications facility, to allow into government a bunch of Tories who would totally privatize telecommunications—I just say this to you: I don't believe you would have the support of your own members and you certainly would not have the support of the Australian trade union movement.

The position, Mr. Speaker and delegates, is crystal clear. What we're about here is adherence to the fundamental Labor goal of advancing the interests of ordinary Australians and, in the instance of Telecom, to do that by insuring as far as you can see into the future the continued public ownership of a fully-operated telecommunication facility. If you adopt the Beazley-Government proposal, you will insure that. If you don't, you will certainly guarantee that the whole telecommunication facilities will be privatized after the next election. I beg you to suppport Beazley and the government. [applause] [end recording]

But the government's plans are not only under threat from left-wing unions. The opposition says it's considering blocking the required legislation in the Senate because the government's plans do not go far enough. Our reporter, Michael Brightenton, spoke to opposition treasury spokesman Peter Reith, who likes to refer to the government's telecom plan as Monstercom.

[Begin recording] [Reith] Our view is that the full benefits of privatization come from one hundred percent private ownership, and the reason for that is that you take the dead hand of government off the internal policies—management policies—of those organizations. So, for example, in the industrial relations, with full privatization you ensure that both operators of those businesses have a free hand to compete fully with the competition in the market.

[Brightenton] But as you say, it's a good proposition for somebody who wants to buy—obviously, if particularly Telecom returns quite a healthy profit to the treasury.

[Reith] Michael, we just gave up the two-airline duopoly, and people have been saying in the last week: Why didn't we do it years ago to achieve the price benefits as a result of the end of that duopoly? At the same time, we are embracing a very regulated duopoly in telecommunications when clearly a fully competitive market would produce the best benefits for consumers by way of lower prices and better products.

[Brightenton] But, if these proposals that the government's putting up do result in better and cheaper services and they do return a profit to the Treasury, would you still sell?

[Reith] Well, there may be some benefits from these moves. But as Mr. Keating himself said, Monstercom was not the best option; as Mr. Hawke himself said, this was not the best option. And the truth is that in the end, Labor has compromised its position, compromised the national interests for the better interests of the trade union membership, and that is not good. And also I think for that reason the decision will be widely condemned.

[Brightenton] Well, you say the government's reforms don't go far enough, but will they get through the Parliament with your support?

[Reith] Well, Michael, it's not just me saying that. The treasurer, Mr. Hawke, and many members of the Cabinet are well-known to have said that this Beazley option, as finally compromised now, is not good enough.

[Brightenton] Yes, but will it get through the Parliament with opposition support?

[Reith] Well, we will see what they put up. We are opposed and have been to Monstercom. We have favored full competition and neither proposition will fill us with joy. We will look at the legislation when we finally sit.

[Brightenton] So there is a possibility you could block this legislation in the Senate?

[Reith] Well, what is possible is that we will continue to maintain our position, which is full privatization, full competition, and real benefits to consumers. Whether the legislation matches those criteria, time will tell. [end recording]

New Zealand

PLO: Iraq Willing To Release New Zealanders

BK0210050290 Hong Kong AFP in English 0448 GMT 2 Oct 90

[Text] Wellington, Oct 2 (AFP)—The Palestine Liberation Organisation (PLO) claimed Tuesday Baghdad was willing to release New Zealanders held in Iraq.

PLO Australasian Representative Ali Kazak told the Christchurch STAR newspaper from Canberra Tuesday that he met New Zealand Prime Minister Mike Moore last weekend to offer PLO help in releasing New Zealanders. Mr. Moore acknowledged Tuesday that a meeting had taken place but said New Zealand would not seek PLO help. He said New Zealand wanted to maintain solidarity with other western nations.

There are 11 New Zealanders trapped in Kuwait and seven in Iraq plus four embassy staff since Baghdad's August 2 invasion and annexation of the Gulf emirate.

Mr. Kazak said that at a secret meeting in Wellington Saturday he told Mr. Moore that the PLO had spoken to the Iraqis who said they were willing to let the New Zealanders go. "We suggested to Mr. Moore that a government delegation should now be sent to make the final arrangement," he said. Mr. Kazak said the PLO had made a similar approach on behalf of the Australian hostages but Australia's decision to become militarily involved in the Middle East had made this more difficult. Apart from flying Asian refugees from Jordan in air force planes, New Zealand has no military role in the Middle East.

Mr. Moore said Tuesday he had turned down a PLO offer to help negotiate the release of the hostages in the Middle East. He said he told Mr. Kazak New Zealand's position was that the hostage situation was a world issue and that all the countries involved should work together to secure the release of the hostages. He said New Zealand had not asked the PLO to be a broker for New Zealand. "There is no deal, but if they do something then that's good," he said.

Mr. Kazak said as the PLO had taken the initiative of making a top level approach to the Iraqis, it made sense for them to seek a meeting with Mr. Moore to inform him of the situation. "Mr. Moore showed his thanks and appreciation for the PLO's concern for the New Zealand hostages but said he wanted to see the release of all the foreigners held in the Middle East," he said.

(Meanwhile in Canberra, officials from the Australian Department of Foreign Affairs said they had not heard from the PLO concerning the release of Australian hostages in Iraq and Kuwait. "We have had no approach by the PLO," a spokeswoman said. If there had been an approach, the government would have rejected it because "we don't agree with the action of the PLO in discriminating amongst foreign nationals in Iraq and Kuwait," she said.)